Business Negotiation and Social Conflict Styles in Taiwan:
An Empirical Study

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ABSTRACT

Every individual holds a different opinion on the relationship between culture and negotiation behavior. Some consider that negotiation has already become a common act and it is inevitable that the acts of negotiators around the world conform to established sets of negotiation frameworks regardless of cultural backgrounds. On the other hand, there are some who believe that negotiation behavior varies with countries. In addition, these acts can be classified into several forms and they each differ from one another. Diversity in cultural backgrounds tends to induce variations in negotiation behavior in some way or another (Liou, 1998). To better understand the impact of culture on negotiation decisions, a cross-cultural study on different cultural strengths and weaknesses of various countries can be done. This can be used to predict possible negotiation behavior of the opponents as well as the cultural factors that may affect their decisions. Most people believe that cross-cultural studies are comparison and contrast studies of various countries that are targeted at specific phenomena. Although these studies may be limited to the selected countries and specific behaviors, the analysis of value, attitude and decision differences of people in various countries can be a valuable contribution for negotiation related topics. This research is based on the text by Chang (2006) and further explores how Taiwanese make decisions in business negotiations in times of business or social conflicts.

INTRODUCTION

Negotiation characteristics of different countries and cultures

Communication methods vary with culture. People from certain places adopt communication methods that are direct and simple while people from other places may use methods that are indirect and complex. Each culture has its own set of norms. An act in a particular culture may possess a special meaning and the same act may be interpreted into other meanings in other cultures. For example, it is a polite gesture to address others by their surnames in the United States and Australia while it is an impolite gesture to do so in France, Japan, Egypt and other countries. Therefore, it is necessary to pay extra attention to such cultural details when dealing with negotiators from abroad or those with greater cultural differences.

Cultural factors also affect the methods of how both parties reach an agreement. In general, Americans tend to stress a detailed agreement which is able to explain the consequences of all possible circumstances. This is because Americans believe that the transaction itself is equivalent to the agreement. Negotiators should be able to explain how things should be done after any factor in the agreement changes according to the agreement. On the other hand, certain countries such as China tend to lean towards a generalized agreement. This is because they believe that the purpose of negotiation is to build a good relationship. If any unexpected event occurs, both parties should solve the problems based on their relationship and not according to the agreement.

Cultural background not only affects the acts of negotiators but also their values. All negotiators unconsciously bring their deep-rooted values with them to the negotiation setting. A competent negotiator should be able to elaborate on his strengths, understand cultural norms and ethnic characteristics of other countries that are different from his, and understand the differences in negotiation styles adopted by the opponent and oneself. However, one should not anticipate using these cultural norms as means to win the opponent. Negotiators should respect methods used by the
opponent but it is not necessary to adopt and conduct negotiations according to their methods (Ho & Cheng, 2005).

**Negotiation characteristics of Taiwanese**

Taiwan has always been an international focus due to its island-type economy and sensitive political position. Although Taiwan inherited Chinese culture, Taiwanese are Chinese under special circumstances. Therefore, methods that are applicable to Chinese in China and Hong Kong may not be relevant to Taiwanese. Taiwanese are believers of real politics and they have no doubt about their economic standpoints. As purchasers, they adopt tough standpoints. On the other hand, they are prepared to make appropriate compromises when they become sellers.

Taiwanese businessmen often give in to many trivial matters at early stages of negotiations and make their biggest compromise reluctantly at the final stages. They frequently use envelope strategies on their opponents. They entertain you with good food and wine, and even pay for your airfare and accommodation. Furthermore, they hire a chauffeur to meet all your traveling needs and invite you to scenic resorts where the negotiations are held. These acts tend to make one feel indebted to and dependence on them. Many visitors from abroad are surprised at the social activities conducted after work. Taiwanese hosts may try their best during the negotiation and are always able to find new team members to participate in discussions on the following day without having problems of time difference.

The following are the principles of negotiation used by Taiwanese proposed by Ma (2000):

1. Principle of tradition: To doubt or challenge traditional matters
2. Principle of identification: By identifying and agreeing with matters
3. Principle of adventure: By being adventurous and at the same time, grasping opportunities, potential for innovation and final strike
4. Principle of competing authority: The more money others want from you, the more valuable your money is
5. Principle of due date: Time pressure that is caused by timeframe created can be used to hasten compromise or agreement in negotiations.
6. Principle of understanding: Adequate understanding of negotiation topics by both parties can eliminate inaccuracies in negotiations
7. Principle of communication: Without communication, there will be no negotiation
8. Principle of authority: Authority is the path from one place to another
9. Principle of upgrading authority: To compel the opponent to negotiate truthfully
10. Principle of staying clear of the opponent’s main force and strike at his weakest point: The higher the goal, the more is attained

The following are the strategies and techniques of negotiation used by Taiwanese proposed by Liou(1998):

1. Fully understand the meaning of negotiation: Fully understand the purpose of negotiation and critical conditions for successful negotiations
2. Understand the conditions for negotiations to occur: including formation and resolution of deadlocks, understanding needs and fears of both parties, and increasing the attractiveness of negotiations so as to strike back at the appropriate time.
3. Understand oneself thoroughly: Understand one’s advantages, disadvantages, opportunities, threats, authority and bargaining power
4. Fully prepare for negotiation: Selection of negotiating personnel, formation of a complete plan for allocating personnel as tough and lenient negotiators, planning the flow of the meeting and time of the negotiation.
5. Use of information: Collecting information, making judgments based on body language, employing timeout techniques, applying information collected and using silence appropriately
6. Appropriate compromise: Understand each other’s bottom lines, techniques of giving in and initiating compromises
7. Stick to one’s own principles: Appropriate use of offense and defense techniques
8. Use of negotiation tactics: Explore the movements of ‘anticipation’, ‘attainment’ and ‘options’ that lie between satisfaction and dissatisfaction, and raise the opponent’s anticipation of ‘prospects’
9. Encourage negotiation and the conclusion of negotiation: The ability to understand the negotiators’ characters after discussing back and forth will benefit in reaching mutual agreements
10. Pay attention to differences in negotiation styles and cultural backgrounds: Local and international cultural differences may cause negotiation modes to vary.

RESEARCH HYPOTHESES

Business Conflicts and Negotiation Strategy
Therefore, this research hypothesises that:
H₁: In business conflicts in Taiwan, individual accommodation and competitiveness have significant effects on negotiation skills.
H₂: In business conflicts in Taiwan, group competitiveness has a significant effect on negotiation skills.
H₃: In business conflicts in Taiwan, individual and group collaboration has no significant effect on negotiation skills.

Friend Conflicts and Negotiation Strategy
Therefore, this research hypothesises that:
H₄: In friend conflicts in Taiwan, individual avoidance and competitiveness have significant effects on negotiation skills.
H₅: In friend conflicts in Taiwan, group collaboration has a significant effect on conflict negotiation skills.
H₆: In friend conflicts in Taiwan, individual accommodation and group competitiveness have no significant effect on conflict negotiation skills.

Conflicts between Business and Friends and Negotiation Strategy
Therefore, this research hypothesises that:
H₇: In conflicts between business and friends in Taiwan, individual competitiveness has a significant effect on negotiation resolution skills.
H₈: In conflicts between business and friends in Taiwan, group collaboration and avoidance have significant effects on negotiation resolution skills.
H₉: In conflicts between business and friends in Taiwan, individual and group accommodation has no significant effect on negotiation resolution skills.

RESEARCH METHODOLOGY

There is much recent literature on negotiation strategy. Most topics examine the importance of business management, types of conflicts, business management processes, and execution. Deeper insights into the relationships between business conflicts situations, conflict characteristics, communication mechanisms, and strategy application are less covered. In view of the past discussion on business, and relatively fewer insights from the viewpoint of knowledge management, this research presents the factors of business conflicts and friend conflicts affecting business negotiation strategy and incorporates the dual concern model as well as business management and international business theory. Interviews are also conducted. A conceptual research framework is constructed using educational level and annual income as the control variables, dual concern model as the independent variable, level of concern as the mediating variable, and negotiation strategy as the dependent variable.
Research Framework

Based on the above relevant literature and research objective, this research is basically an empirical study on Taiwan business negotiation and the handling of friend conflicts. Because the level of concern will lead to different conflict situations, the effects of accommodation, collaboration, avoidance, and competition on negotiation strategy are explained using the conceptual framework in figure 1.

The research framework can be established based on logic basis and interviews with business clients. In this study, logic basis includes four main elements of theoretical basis, empirical experience, logic inference, and professional consensus.

Figure 2 shows the research framework. The four dimensions of accommodation, collaboration, avoidance, and competition comprising 16 variables can be used to measure the dual concern model; the two variables of business conflicts and friend conflicts can be used to measure conflict situations; the two variables of conflict situations and the level of concern can be used to measure negotiation strategy.
H1: In business conflicts in Taiwan, individual accommodation and competitiveness have significant effects on negotiation skills.

H2: In business conflicts in Taiwan, group competitiveness has a significant effect on negotiation skills.

H3: In business conflicts in Taiwan, individual and group collaboration have no significant effect on negotiation skills.

H4: In friend conflicts in Taiwan, individual avoidance and competitiveness have significant effects on negotiation skills.

H5: In friend conflicts in Taiwan, group collaboration has a significant effect on conflict negotiation skills.

H6: In friend conflicts in Taiwan, individual accommodation and group competitiveness have no significant effect on conflict negotiation skills.

H7: In conflicts between business and friends in Taiwan, individual competitiveness has a significant effect on negotiation resolution skills.

H8: In conflicts between business and friends in Taiwan, group collaboration and avoidance have significant effects on negotiation resolution skills.

H9: In conflicts between business and friends in Taiwan, individual and group accommodation has no significant effect on negotiation resolution skills.

Sampling Design

The objective of the pre-test is to select the estimation level that is suitable for the concept of this research. First, test participants who have business experience and are about to join the workforce are selected from two Taiwan Universities from graduate students of Business School of Tamkang University and Chinese Culture University. Questionnaires for quota sampling were distributed in Taiwan from 1st November 2005 to 28th February 2006. There are a total of 1050 questionnaires. 265 were received. After eliminating those that obviously do not meet the requirements, those that leave out too many questions, and those which answers are unclear, the effective number of questionnaires received in total is 226. The effective rate is 21.52%.

Sample Composition

Among the sample variables of this research on the effects on negotiation strategy, business accounts for the largest proportion of 32.3% of the total sample, service sector comes next accounting for 29.4% of the total sample. Besides, the two sectors account for 61.7% of the total sample, which is close to the assumed composition of the population. Taiwan industrial development is different from the four dragons of NICs’ mentioned: “The four dragons lack of advance technologies to support their rapidly growths” (Krugman 1994, Young 1994, 1995).

Previous researches on negotiation strategy mostly use case studies. This might be due to difficulties in obtaining data or difficulties in administrating questionnaires and statistical analysis due to the analytical unit being an organization. Moreover, discussions in the business arena are mostly tilted toward purchasing behavior from the viewpoint of business trading. There are relatively fewer researches on the management strategies of the manufacturing and service sectors. In view of the less coverage on negotiation strategy of previous business research, and the lack of detailed analysis on the subjects of situation management mechanism and the level of concern in discussions on negotiation strategy, this research analyses the whole picture of the factors affecting business negotiation. The questionnaire respondents are research students who are the future workforce of Taiwan’s businesses. The preliminary data obtained is used in validity and reliability analyses. Multiple regression analysis is used to test the various research hypotheses to obtain the prediction and explanation of the variables including the dual concern model, conflict situations, and the level of concern mechanism on negotiation strategy, the dependent variable.
Most previous studies mainly focus on the issues of political negotiations in Taiwan. The topic of Taiwan business negotiations has been overlooked. Literatures about applying “Dual Concern Model” and “Situational Management” theories into Taiwan business negotiation studies are also rare. Therefore, this study will be employed these two theories into discussions.

**DATA ANALYSIS AND FINDINGS**

**Validity and Reliability Analyses**

**Validity Analysis:**

Typically, validity analysis can be classified as content validity, concurrent validity, and construct validity (Hu, 2000). Content validity refers to how well the measurements selected by the subjective judgment of the researcher’s professional knowledge truly represent the original content. Concurrent validity or predictive validity is based on the relationship between the test and individual and group behaviors or possible behaviors. Construct validity uses statistical techniques comprising measuring basics to test the characteristics espoused by the theory.

In order to understand the stability of the relevant dimensions and the theoretical model built by the research sample, the data analysis of this research uses the increase in χ² value to differentiate the construction stability. It also uses the based model. The sample data are four test objects from Taiwan. The primitive model is constructed for each object. After the dimensions have been surveyed based on theory, the significance of the increase in χ² value is used to judge the discriminate validity. Data from different geographical areas are used to test the consistency of the measurements in the model to achieve content validity and construct validity of groups of different geographical areas. As a result, the measurements of the dimensions are consistent, confusion in explanation is avoided, and explanatory power of variance of the dependent variable is consistent. (Alwin and Jackson, 1981; Byrne, Shavelson and Muthen, 1989; Durvasula, Andrews, Lyonski and Netemeyer, 1993).

This research uses principal component analysis and varimax orthogonal rotation to test the construct validity of the questionnaires. Based on Kaiser’s standard, research variables with eigenvalues greater than 1 are kept and factors with common factor (the level of validity) greater than 0.5 are extracted. Also, correlation factor (Kerlinger, 1986) between the individual item and the total score is used to eliminate measurement items that are not significantly related.

This research states the null hypothesis (Ho) as consistency between the sample structure and the population structure, (H1) as inconsistency between the sample structure and the population structure. The increase in χ² value has to accept Ho in order to say that the structure and the model are consistent. χ²(1) = 450.9049***, χ²(2) = 409.6471***, the overall predictive rate is 90.85%, the test result accepts (Ho), indicating consistency between the sample structure and the population structure.

**Reliability Test**

Reliability refers to the degree of consistency of results obtained from repeated tests performed on the same or similar population. Cronbach’s α factor is most frequently used to measure internal consistency. According to Wortzel (1979), a Cronbach’s α factor between 0.7 to 0.98 indicates high reliability, a Cronbach’s α factor lower than 0.35 should be rejected. Nunnally (1978) and Peterson (1994) also think that the reliability of preliminary research should be at least 0.8 before acceptance. As for exploratory research, the reliability needs only reach 0.7 to be accepted. The Cronbach’s α factor of the variables of this research are all no lower than 0.7. The Cronbach’s α factor of the variances of this research are higher than 0.9 (accommodation 0.9041, collaboration 0.9029, avoidance 0.9049, competitiveness 0.9027, concern for self 0.9029, concern for others 0.9037, indicating that all the variances of this research meet the requirement of high reliability.
Questionnaire Data Analysis

The effective number of questionnaires collected for negotiation strategy is 226. Female (68.14%) outnumber male (31.86%); single (75.22%) outnumber married (24.78%); 23–25 years old are the majority (58.41%), and 26–28 years old come next (31.42%), 29–31 years old (5.31%), 20–22 years old are the least (4.87%). This is in line with the current trend in commercial development in Taiwan.

EMPIRICAL ANALYSIS AND RESULTS

Business Conflicts

During business conflicts, group accommodation, collaboration, and avoidance are higher than individual avoidance, causing group competitive behavior and individual accommodation, collaboration, and competition to be less important. As indicated in Table 1,

The F value for the level of concern for self on business conflicts is 50.7350*** (p < 0.001), $R^2$ is 0.5576. Competition 33.0376 is the most significant. Accommodation 3.5626 follows. The negative effect of collaboration and avoidance shows that Taiwan emphasizes on competition and accommodation to the business negotiating environment, but the team needs to be more flexible when they negotiate the business.

Table 1. Multiple Regression Test of Level of Concern for Self on Business Conflicts

<table>
<thead>
<tr>
<th>Variables</th>
<th>Adjusted $R^2$</th>
<th>Change in adjusted $R^2$</th>
<th>F value</th>
<th>$\beta$</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Self</td>
<td>0.5466</td>
<td>0.5576</td>
<td>50.7350 ***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td></td>
<td></td>
<td>3.5626</td>
<td>1.1223</td>
<td>6.2913 ***</td>
</tr>
<tr>
<td>Collaboration</td>
<td></td>
<td></td>
<td>2.8749</td>
<td>-1.2326</td>
<td>-8.0305 ***</td>
</tr>
<tr>
<td>Avoidance</td>
<td></td>
<td></td>
<td>26.2934</td>
<td>-0.2596</td>
<td>-2.4831 **</td>
</tr>
<tr>
<td>Competition</td>
<td></td>
<td></td>
<td>33.0376</td>
<td>1.0097</td>
<td>13.1341 **</td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05 ** : Level of Significance 0.01 *** : Level of Significance 0.001

The F value of the level of concern for others on business conflicts is 73.3539 *** (p < 0.001), $R^2$ is 0.6457. As indicated by Table 2, for the mechanisms encouraging group cooperation, competition 112.9988 is the most significant. Accommodation 36.4559 *** follows indicates similar inclinations in business cooperation. The effect of avoidance is negative, indicating that the Taiwanese, unable to decide on policies on its own, adopts a group notion in certain business negotiation strategies. Accommodation and competition are still in line with the characteristic of Taiwanese society culture.

Table 2. Multiple Regression Test of Level of Concern for Others on Business Conflicts

<table>
<thead>
<tr>
<th>Variables</th>
<th>Adjusted $R^2$</th>
<th>Change in adjusted $R^2$</th>
<th>F value</th>
<th>$\beta$</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Others</td>
<td>0.6369</td>
<td>0.6457</td>
<td>73.3539 ***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td></td>
<td></td>
<td>36.4559 ***</td>
<td>0.3801</td>
<td>2.3809 ***</td>
</tr>
<tr>
<td>Collaboration</td>
<td></td>
<td></td>
<td>191.1220 ***</td>
<td>0.1301</td>
<td>0.9474</td>
</tr>
<tr>
<td>Avoidance</td>
<td></td>
<td></td>
<td>10.8944 ***</td>
<td>0.9475</td>
<td>-3.5324 ***</td>
</tr>
<tr>
<td>Competition</td>
<td></td>
<td></td>
<td>112.9988 ***</td>
<td>0.5065</td>
<td>7.3620 ***</td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05 ** : Level of Significance 0.01 *** : Level of Significance 0.001

H1 : In business conflicts in Taiwan, individual accommodation and competitiveness have significant effects on negotiation skills.

Accommodation t value 6.2913***, competition t value 13.1341***, are all significant. $\beta$ values are all above 0.8.
This indicates that accommodation and competition can significantly explain differences in negotiation strategy. The regression factor of concern for self is 0.5576 and is significantly positively related to business conflicts. Please refer to Table 1.

**H2**: In business conflicts in Taiwan, group competitiveness has a significant effect on negotiation skills.

Competitiveness t value 7.3620*** is at a significant level, \( \beta \) values are all above 0.5. This indicates that competitive can significantly explain differences in negotiation strategies. The regression factor of concern for others is 0.6457 and is significantly positively related to business conflicts. Please refer to Table 2.

**H3**: In business conflicts in Taiwan, individual and group collaboration have no significant effects on negotiation skills.

Under situation of concern for self in collaboration, the result indicates negative explanation though the level of significance is reached. However, under situation of concern for others in collaboration, the level of significance is not reached, indicating that both are unable to explain the differences in negotiation strategy and negative explanation. Please refer to Figure 3.

In summary, as indicated by the path analysis in Figure 3, the effect of concern for self on business negotiation is greater than that of concern for others. The hypothesis on the handling of business conflicts is supported by results from empirical tests.

**Friend Conflicts**

The F value for the level of concern for self on friend conflicts is 45.2793 *** \((p < 0.001)\), \( R^2 \) is 0.4504. As indicated by Table 3, competition 44.8207 is the most significant. Avoidance 52.8933 follows. The negative effect of collaboration shows that Taiwan certain friend conflicts have not much effect on negotiation strategy and their abilities of adopting environment is flexible.

![Figure 3. Path Analysis of Level of Concern on Business Conflicts](image-url)
Table 3. Multiple Regression Test of Level of Concern for Self on Friend Conflicts

<table>
<thead>
<tr>
<th>Variable</th>
<th>AdjustedR²</th>
<th>Change in adjustedR²</th>
<th>F value</th>
<th>β</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Self</td>
<td>0.4404</td>
<td>0.4504</td>
<td>45.2793</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>18.4554***</td>
<td>0.0398</td>
<td></td>
<td>0.3799</td>
<td></td>
</tr>
<tr>
<td>Collaboration</td>
<td>13.5624***</td>
<td>-0.7829</td>
<td>-8.6749</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avoidance</td>
<td>52.8933***</td>
<td>0.4039</td>
<td>5.1534***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competition</td>
<td>44.8207***</td>
<td>0.6788</td>
<td>10.8723***</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05 ** : Level of Significance 0.01 *** : Level of Significance 0.001

The F value of level of concern for others on friend conflicts is 16.3218*** (p < 0.001), R² is 0.2280. As indicated in Table 3, collaboration 679.6554 is the most significant. Avoidance 347.9681 follows. Competition has some effects. Collaboration has a negative effect, indicating that in Taiwan, certain friend conflicts have not much accommodation effects on negotiation strategy. Collaboration tends toward the conservative.

Table 4. Multiple Regression Test of Level of Concern for Others on Friend Conflicts

<table>
<thead>
<tr>
<th>Variable</th>
<th>AdjustedR²</th>
<th>Change in adjustedR²</th>
<th>F value</th>
<th>β</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Self</td>
<td>0.2141</td>
<td>0.2280</td>
<td>16.3218***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>116.7628***</td>
<td>-0.5194</td>
<td>-4.1858***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collaboration</td>
<td>679.6554***</td>
<td>0.6330</td>
<td>5.9182***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avoidance</td>
<td>347.9681***</td>
<td>0.2879</td>
<td>3.0995**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competition</td>
<td>240.2884***</td>
<td>0.0289</td>
<td>0.3914</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05 ** : Level of Significance 0.01 *** : Level of Significance 0.001

**H4**: In friend conflicts in Taiwan, individual avoidance and competitiveness have significant effects on negotiation skills.

Avoidance t value is 5.1534***, competition t value is 10.8723***, all have reached the significant level. β values are 0.4039 and 0.6788 respectively. This indicates that avoidance and competition have significant explanatory effects on negotiation strategy. The regression factor of concern for self is 0.4504. It has a significant positive relationship with friend conflicts. Please refer to Table 3.

**H5**: In friend conflicts in Taiwan, group collaboration has a significant effect on conflict negotiation skills.

Collaboration t value of 5.9182*** is at a significant level. β value is 0.6330. This indicates that collaboration has a significant explanatory effect on negotiation strategy. The regression factor of concern for others is 0.2280. It has a significant positive relationship with friend conflicts. Please refer to Table 4.

**H6**: In friend conflicts in Taiwan, individual accommodation and group competitiveness have no significant effect on conflict negotiation skills.

Under the accommodation situation of concern for self and competitiveness situation of concern for others, the significant levels are not reached. This indicates that both are unable to significantly explain the differences in negotiation strategy. Please refer to Figure 4.

In summary, as indicated by the path analysis in Figure 4, concern for self has a greater effect on negotiation with friends than concern for others. The hypothesis of the handling of friend conflicts is supported by results from empirical tests.

**Business Negotiation and Friend Conflicts**

The F value of level of concern for self on business negotiation and friend conflicts is 77.1410*** (p < 0.001), R² is 0.4436. As indicated in Table 5, avoidance 44.11041*** is the most significant. Competition 34.89121*** follows. Accommodation is 13.26801***. Collaboration has a negative effect, indicating that in Taiwan, certain friend conflicts
Table 5. Multiple Regression Test of Level of Concern for Self on Business Negotiation and Friend Conflicts

<table>
<thead>
<tr>
<th>Variable</th>
<th>AdjustedR²</th>
<th>Change in adjustedR²</th>
<th>F value</th>
<th>β</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Self</td>
<td>0.4379</td>
<td>0.4436</td>
<td>77.1401***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td></td>
<td></td>
<td>13.26801***</td>
<td>0.1898</td>
<td>2.1291*</td>
</tr>
<tr>
<td>Collaboration</td>
<td></td>
<td></td>
<td>8.71541***</td>
<td>-0.6815</td>
<td>9.1222***</td>
</tr>
<tr>
<td>Avoidance</td>
<td></td>
<td></td>
<td>44.11041***</td>
<td>0.1860</td>
<td>2.7365**</td>
</tr>
<tr>
<td>Competition</td>
<td></td>
<td></td>
<td>34.89121***</td>
<td>0.9332</td>
<td>17.4330***</td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05** : Level of Significance 0.01*** : Level of Significance 0.001

The F value of the level of concern for others on business negotiation and friend conflicts is $42.5210^{***}$ ($p < 0.001$), $R^2$ is 0.3053. As indicated in Table 6, collaboration 121.1535 is the most significant. Competition 88.0550 follows. Accommodation has negative effect, indicating that in Taiwan, certain business negotiations and friend conflicts have not much effect on negotiation strategy and are also affected by the environmental factors.

Table 6. Multiple Regression Test of Level of Concern for Others on Business Negotiation and Friend Conflicts

<table>
<thead>
<tr>
<th>Variable</th>
<th>AdjustedR²</th>
<th>Change in adjustedR²</th>
<th>F value</th>
<th>β</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern for Others</td>
<td>0.2981</td>
<td>0.3053</td>
<td>42.5210***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td></td>
<td></td>
<td>37.2588**</td>
<td>-0.4122</td>
<td>-4.1385***</td>
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<tr>
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<td>0.6403</td>
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<td>Avoidance</td>
<td></td>
<td></td>
<td>32.5699***</td>
<td>0.1836</td>
<td>2.4175*</td>
</tr>
<tr>
<td>Competition</td>
<td></td>
<td></td>
<td>88.0550***</td>
<td>0.1346</td>
<td>2.2509*</td>
</tr>
</tbody>
</table>

Note: * : Level of Significance 0.05** : Level of Significance 0.01*** : Level of Significance 0.001
**H7:** In conflicts between business and friends in Taiwan, individual competitiveness has a significant effect on negotiation resolution skills.

Competition t value 17.4330*** has reached significant levels. β value is 0.9332 respectively. This indicates that competition can significantly explain the differences in negotiation strategy. The regression factor of concern for self is 0.4436 has a significant positive relationship with business negotiation and the handling of friend conflicts. Please refer to Table 5.

**H8:** In conflicts between business and friends in Taiwan, group collaboration and avoidance have significant effects on negotiation resolution skills.

Collaboration t value 7.6705*** has reached significant levels. β value is above 0.6. This indicates that collaboration can significantly explain the difference in negotiation strategy. The regression factor of concern for others is 0.3053 has a significant positive relationship with business negotiation and the handling of friend conflicts. Please refer to Table 6.

**H9:** In conflicts between business and friends in Taiwan, individual and group accommodation has no significant effect on negotiation resolution skills.

Under the situations of concern for self and concern for others, the levels of significance are reached. This indicates that both are able to significantly explain the difference in negotiation strategy. This presents a negative phenomenon among the relationship of individual collaboration and group accommodation. A big increase in effects of contrived control factors will cause disruption to individual collaboration and group accommodation. Please refer to Figure 5.

In summary, as indicated by the path analysis in Figure 5, concern for self has greater effects on business negotiation and friend conflicts more than concern for others. The hypothesis on business negotiation and the handling of friend conflicts is supported by the results from empirical tests.

**Figure 5. Path Analysis of Level of Concern on Business Negotiation and Friend Conflicts**
CONCLUSION

When Taiwanese people deal with business conflicts and negotiation, we found that stresses adaptability and the ability to change in order to completely fulfill the free market mode. The competition among corporate teams is an example of multicultural business with the target of negotiations lying in teamwork. In addition, when Taiwanese people deal with personal conflicts and negotiations, their negotiating strategies stress personal adaptability and group competitiveness while Chinese views adaptability for both personal and groups as paramount.

To sum up, while Taiwanese people deal with business conflicts, the emphasis is on personal adaptability. While group competition is frequent, the maintenance of group relations is still important. When facing a conflict with friends, one tends to take a softer stance. Teamwork is an inevitable result while personal interests are often left in favor of group competitiveness. When both issues have prominence, competitiveness will lead, and cooperation and concessions follow behind. Adaptation is very important here for both personal and group interests.

REFERENCES