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International Business Negotiations from the Islamic Perspective

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ABSTRACT

In order to succeed in negotiations in Muslim-majority markets, managers need familiarise themselves with how their Muslim counterparts may be influenced and guided by their religion. Drawing on interviews with nine devout Muslim managers, this work-in-progress study discusses the role Islam plays in shaping its adherents’ approach to negotiations. The findings suggest that Muslim negotiators place particular emphasis on gender relations and *adab* (Islamic mannerisms), as advocated by their religion, and that there is a tendency to adapt their negotiation style depending on whether or not their counterparts are also Muslim.

**Keywords:** Negotiations, religion, Islam
1. INTRODUCTION

Business negotiations conducted across national borders often pose a challenge for management practitioners, thus representing a critical step in the foreign expansion of many firms. Failure to successfully navigate through the complex cultural hurdles that exist in international negotiations can delay efforts to penetrate a foreign market, or worse, result in the complete failure of the proposed entry (Gulbro & Herbig, 1996; Tung, 1991). Therefore, it is important for international business (IB) negotiators to prepare themselves for the cultural differences they are likely to encounter abroad.

IB scholars have examined the styles of business negotiators in a vast array of national settings, including the Chinese (Ghauri & Fang, 2001; Zhao, 2000), Japanese (Graham, 1993), Korean (Tung, 1991), and Arab (Alon & Brett, 2007; Khakhar & Rammal, 2013) contexts, among others. Comparative studies of different negotiation styles have also been common (see, for example, Graham, Evenko, & Rajan, 1992; Lee, Yang, & Graham, 2006; Metcalf, Bird, Shankarmahesh, Aycan, Larimo, & Valdelamar, 2006). However, few studies have investigated the influence of the religious beliefs of negotiators on their approach to IB negotiations. Given that more than 83 percent of the global population is religiously affiliated (Pew Research Center, 2014), this is somewhat surprising. This study seeks to provide some insight into the Islamic context, which has received relatively little attention from management scholars (Gohrbani & Tung, 2007; Richardson, 2014). In light of this, and given that a number of countries in the Islamic world are beginning to play a more prominent role in IB (Weir, 2000; Zahra, 2011), it is both imperative and timely to seek a better understanding of the environments facing prospective IB practitioners seeking to operate in the various markets that constitute the “ummah” (the global Muslim community).

Despite the cultural variation one can see across the Muslim world, it is also possible to observe a remarkable sense of unity, which stems directly from Islamic teachings. The very
fact that one can even speak of “the Muslim world” in the first place is in itself indicative of
some form of collective identity. Although some may question the use of this label for its
assumption of a common religious link between what are rather diverse countries (e.g. Turkey
and Saudi Arabia), there is no denying the central role the religion has played, and in most
cases continues to play, in shaping the customs, beliefs, and values of each society that has
embraced it. This stems in large part from the fact that, unlike in many other parts of the
modern world, the chasm that emerged between the “secular” and the “spiritual” realms
following the age of Enlightenment never really became a defining feature of most Muslim
societies. On the contrary, they have, by and large, managed to preserve their religion’s
central place in public life despite the forces of secularism and modernism, which have
succeeded in curtailing religion’s influence in the public domain elsewhere. In other words,
religion continues to be very much a part of the public sphere, and is not restricted to one’s
private life. The business domain is no exception, with Islamic teachings providing various
guidelines on appropriate and ethical business practices (see, for example, Mohammed, 2013;
Rice, 1999; Richardson, Sinha, & Yaapar, 2014). In this study, we focus on the specific case
of business negotiations and how the Islamic worldview—and the ethics and values arising
from within it—might influence the behaviour and style of negotiators who follow the
religion.

The paper is structured as follows. The following section provides an overview of
cross-cultural business negotiations. Next, we look in more detail at Islamic teachings and
their implications for the negotiation process. We then describe the research method adopted
in the study before discussing the findings. The paper rounds off with some concluding
remarks and implications for management practitioners.
2. LITERATURE REVIEW

2.1 The role of culture in international business negotiations

A paradoxical feature of the increasingly globalised “flat” world today is how the local context, rather than diminishing in significance, continues to play a crucial role in determining the international success of firms (Meyer, Mudambi, & Narula, 2011). Variations in legal regulations, human resource practices, political systems, and cultures present key challenges to international firms. Among this array of influences, culture is regarded as being the most pertinent in the field of IB by Geert Hofstede (1994), who defines culture as “the collective programming of the mind which distinguishes the members of one category of people from another” (1994: 1). The role played by culture in IB becomes particularly prominent when discussing international negotiations (Brett & Gelfand, 2005; Ghauri, 2003; Requejo & Graham, 2008).

Negotiation is simply a communicative process in which two or more parties seek to reach an agreement on matters of mutual, and sometimes conflicting, interest. As economies around the world become increasingly interconnected and interdependent, business negotiations that take place across borders and cultures are becoming more commonplace. Nevertheless, the international business negotiation is often portrayed as a challenge for the managers involved. While many IB negotiations succeed (Sheer & Chen, 2003), the failure of many others is testament to their complexity. For example, Gulbro & Herbig (1996) suggest that as many as two-thirds of cross-cultural negotiations fail. Although various factors may contribute to negotiation failure, cultural differences are among the most frequently cited in the literature (Oikawa & Tanner, 1992; Paik & Tung, 1999; Reynolds, Simintiras, & Vlachou, 2003). Tung (1991: 37), for instance, warns that “ignoring cultural differences can damage or even halt negotiations.” As a result, negotiators have been advised to be prepared for the idiosyncratic styles and patterns of potential foreign counterparts (Tung, 1989). In some
instances, firms even equip their negotiating teams with a “cultural moderator,” that is, someone from the same cultural background as their counterparts in the negotiation (Wilken, Jacob, & Prime, 2013).

According to Ghauri (2003), all business negotiations consist of three stages, the pre-negotiation, face-to-face negotiation, and post-negotiations stages, with cultural factors playing a key role in shaping each stage. In particular, Ghauri explains that cultural differences with respect to: (1) the perception of time, (2) individualist vs collectivist behaviour, (3) patterns of communication, and (4) emphasis on personal relations are of paramount importance in affecting the negotiation process.

2.2 Islamic perspectives on negotiation

2.2.1 The role of tawhid

In order to gain a better understanding of the value systems and negotiating style of a particular cultural group, we need to examine its overarching worldview. The first thing to note is that traditional Islam has always rejected a distinction between the “spiritual” and “secular” in any realm of life (Al-Attas, 1985). In several classical Islamic languages like Arabic and Farsi, there was not even any word that corresponded directly to the term “secular” (Hashemi, 2009). Islamic teachings guide all areas of human activity, from eating and bathing to education, politics, and even the treatment of prisoners of war. This philosophy stems from the Islamic doctrine of tawhid, which is usually translated as “oneness” or “unity”, and which forms the foundation and very essence of the Islamic Weltanschauung. Naturally, the oneness of God is the most fundamental assertion and implication of tawhid and the Islamic religion more generally. However, tawhid also represents the “vertical” dimension of human life in Islam, whereby guidance (hidayah) to the right course of action in every human activity is seen as coming ultimately from one single and eternal source, namely God (Naqvi, 1994). As
a result, the domain of business is, like every other human activity, guided by Islamic teaching.

2.2.2 The role of Islamic mannerisms (adab)

As noted earlier, all human actions must, according to the principle of tawhid, be conducted within the framework of the religion. This includes the way Muslims communicate with others. In this regard, Muslims are guided by adab, which refers to etiquette and decorum. In Islamic societies, one who has adab is seen as being cultured, well-mannered, sophisticated, and sincerely conscious of his or her responsibilities towards God (Al-Attas, 1997; Murata & Chittick, 2006). It is perhaps the last of these factors (sincere consciousness of one’s responsibilities towards God) that is both most significant and also most distinctive of Islamic mannerisms. Those who meet this particular criterion will strive to ensure that their conduct in all social activities is consistent with Islamic values. Therefore, they will familiarise themselves with scholars of their tradition who have espoused guidelines for just about every human action, from raising children and running a business to appropriate etiquette for eating and hosting guests in one’s home.

A particular branch of adab, adab al-muhadatha (the manners of conversing), is particularly relevant here (Alon & Brett, 2007). From the Islamic perspective, our use of body and, in particular, tongue has profound implications for our souls (Nasr, 2007). A number of traditional Islamic scholars, including Imam Al-Ghazali (d. 1111) and Imam Birgivi (d. 1573), for example, stressed the significance of the tongue, reminding Muslims that speech is a unique gift from God to the human being (see also the Quran, verses 55:1-41), with their welfare depending ultimately on the use of this gift (Al-Ghazali, 1995; Imam Birgivi, 2005). As the Quran (49:13) states (in translation), “The noblest of you, in the sight of Allah, is the best in conduct”. Therefore, as part of their efforts to please God, observant Muslims place great emphasis on speech that reflects courtesy, kindness, and compassion.
In line with adab and the principle of tawhid, Muslims typically begin an activity by invoking the formula of consecration, the Basmalah (Bismillahi-r-Rahmani-r-Rahim—in the name of God, Most Compassionate, Most Merciful). Often, depending on the magnitude of the event, an extended version of this formula may be cited, which can prolong the proceedings. As Alon & Brett (2007) have suggested, this may create confusion and agitation among many negotiators coming from certain Western cultures, where time is often seen as a scarce resource that should not be used up with reference to matters that, in their eyes, may be considered to be unrelated to the negotiation. Of course, for the Muslim who understands and is committed to the doctrine of tawhid, this dichotomy between a “secular” and “religious” realm is simply non-existent and therefore there is, for him/her, no disconnect between the negotiation and religious matters.

The Quran alludes to negotiation etiquette in several verses, each time emphasising the importance of discussing matters in a “good way”

For instance, Muslims are advised to reason with others “in the better way” (16:125), and to not argue “unless it be in (a way) that is better” (29:46). “Speak words straight to the point,” instructs the Quran (33:70), thus commanding Muslims to also be truthful and direct during negotiation (Rice, 1999). In essence, Islamic principles of communication encourage kindness, politeness, honesty, clarity, two-way communication, while simultaneously discouraging backbiting, ridicule, vanity, negative emotions (e.g. anger), secret talk in small groups, frequent interruption, manipulation, and being two-faced (Ahmad, 2006; Imam Birgivi, 2005).

Interestingly, adab is also, from the Islamic perspective, inseparable from “justice” (‘adl), which, for Muslims, means “to put things in their proper places”. The concept of justice represents one of the most significant principles in Islam. In fact, among the divine names (attributes) of God in the Islamic tradition are al-‘Adil, al-‘Adl, al-Muqsit, and al-Hakam, meaning the Just as well as Justice Itself, the Equitable, and the Bringer of Justice.
(Nasr, 2002). Al Attas (1985: 99), for example, writes that “Loss of adab implies loss of justice.” Historically, Muslims have understood justice as incorporating not just corrective and regulatory justice but also one’s character and personality (Kamali, 2007). In other words, adab and justice are seen as inseparable and complementary. In the context of business negotiation, one might highlight the importance of justice by pointing to the Prophet Muhammad’s proclamations that if buyers and sellers “conceal and tell lies, the blessing of their transaction shall be obliterated” and that “The truthful, honest merchant is with the prophets” (Ali, 2005, 2011). Statements such as these compel observant Muslims to disclose any product or service defects of which they are aware and to ensure exactness in the promised product’s specifications (Graafland, Mazereeuw, and Yahia, 2006; Rice, 1999.).

2.2.3 Relations between men and women

Prohibitions also exist in terms of the relationship between unrelated/unmarried men and women in Islam. Generally speaking, where negotiations involve both men and women, conservative Muslims may prefer to limit the negotiation to office settings or a formal meal at most. Socialising in bars is unlikely to be very popular due to the Islamic position on consuming alcohol, but even in cafes, for example, some might feel uncomfortable if they are expected to mingle informally with members of the opposite sex. Richardson (2014), for instance, reported one incident of a female Muslim engaged in a negotiation in South Korea. As a gesture of hospitality, her local counterparts brought her to a karaoke bar—a relatively common business practice in the country (Cha, 2012)—which made her feel somewhat ill at ease. In fact, the incident was regarded as the turning point in discussions between the two firms, leading ultimately to the failure to reach any agreement. To be sure, there is some variation across the Muslim world with respect to the role of women in public life. For example, the current Prime Minister of Bangladesh is female, but in Saudi Arabia, women face prohibitions when it comes to the every-day activity of driving a car. Nevertheless,
gender differences are a hugely important feature of human life as seen from the Islamic perspective (Nasr, 1980) and cross-gender relationships among more conservative Muslims tend to abide by certain rules.

In summary, Islam serves as the supreme ethical guide for observant Muslims, even in today’s fast-modernising and increasingly secular world. Its emphasis on the principle of tawhid means that all human activity should always be connected to the religion, with business transactions being no exception. In this study, I seek to explore the ways in which observant Muslims are influenced by their religious tradition during IB negotiation.

3. METHODOLOGY

Given the exploratory nature of this work-in-progress study, I adopted a qualitative methodological approach (Daniels & Cannice, 2004). Although IB, like many other fields of management, has been dominated by quantitative research (Jack & Westwood, 2006; Sinkovics, Penz, & Ghauri, 2008), IB scholars have not been silent when it comes to championing the merits of qualitative methods (Birkinshaw, Brannen, & Tung, 2011; Doz, 2011). In particular, it is argued that qualitative research is suited to exploring contextual phenomena in which reality is considered subjective in nature (Bluhm, Harman, Lee, & Mitchell, 2011; Morgan & Smircich, 1980), which is the case with the present study.

Furthermore, since religion is often a somewhat delicate subject, I felt that respondents may not have been forthcoming in responding to a survey questionnaire with minimal, if any, contact with the researcher. With face-to-face interviews however, I have been able to develop a deeper rapport with the respondents, thus enhancing trust and, ultimately, generating more accurate responses (Daniels & Cannice, 2004).

Semi-structured interviews have thus far been conducted with nine Malaysian Muslim business managers, who were identified based on a combination of purposive and snowball
sampling. The criteria for selecting managers included their religiosity and their experience in IB negotiations. Small and medium-sized enterprises (SMEs) were preferred to larger organisations because, in Malaysia, SMEs tend to be less ethnically/religiously diverse. That is, they are usually either entirely Malay (Muslim), Chinese, or Indian. Since the study’s scope is centred on the experience of Muslim negotiators, firms that have non-Muslim workers and negotiators were excluded. Respondents include chief executive officers (CEOs) and senior managers in private companies. All but one of the respondents has more than a decade’s worth of experience in IB negotiations—the remaining respondent is relatively young and first started negotiating internationally five years ago. In all cases, respondents have had experience in negotiating with non-Muslims and with other Muslims—‘inter-religious’ and ‘intra-religious’ negotiations, so to speak—in countries such as the UK, US, Australia, Japan, Singapore, Indonesia, and much of the Arab world, among others. This enabled the respondents to discuss their negotiation experience with non-Muslims and with fellow Muslims.

Interview questions were inspired from existing literature, including Khakhar & Rammal (2013) and Brett & Gelfand (2005). In particular, the latter’s cultural analysis of negotiation theory, which describes how people, including from non-Western cultures, cope with problems that arise during negotiations, served as a valuable source of inspiration for the interview guide. Interview questions also drew on Ghauri’s (2003) framework for IB negotiations, which covers, among other things, background factors and cultural factors (e.g. perception of time, pattern of communication), and which describes the negotiation process in a holistic manner.

The structure of the interviews was as follows. Each interview began with general questions concerning the respondent’s educational and professional backgrounds. The respondents were then asked about their experience in IB negotiations, before we discussed
their religious beliefs, including what being Muslim meant to them, and how they balance their professional careers with their religious beliefs. Given that the present study seeks to understand the Islamic perspective on business negotiations, it was imperative that respondents were practicing Muslims. In order ensure this, during my interviews, I drew on various studies that attempt to capture or measure religiosity (e.g. Lewis & Kashyap 2013; Mazereeuw-van der Duijn Schouten, Graafland, & Kaptein, 2014; Tiliouine, Cummins, & Davern, 2009). ‘Religiosity’ basically refers to the importance of religion in one’s life (Tiliouine et al., 2009) and is a rather holistic concept, covering more than just ‘what one believes’. (Mazereeuw-van der Duijn et al. 2014). Therefore, questions concerned not just cognitive aspects of religiosity (e.g. “Do you believe that your actions at work will influence your eternal destiny?”) but also intrinsic (e.g. “Do you enjoy reading about your religion?”), extrinsic (e.g. “Why do you go to the mosque?”), and behavioural (e.g. “How often do you attend talks/events on Islam?”) aspects of religiosity (Mazereeuw-van der Duijn et al., 2014).

In line with Brett & Gelfand (2005), the interviews also covered key attributes of cross-cultural business negotiations: judgment and concession-making, negotiator motivations, attributions, communication style, approach to confrontation, and how the religious teachings of the respondents influenced these attributes.

Data analysis was undertaken simultaneously with data collection. More precisely, rather than waiting for all interviews to be completed before commencing with the transcription process, I transcribed each interview shortly after it took place. This approach enables the researcher to review data in the light of his/her research questions and to revise his/her approach for subsequent interviews (Silverman, 2011, 2013). Moreover, immediately after each interview, I noted down various field notes in the research setting based on my observation of the respondent’s surroundings which were not captured in the interview (Daniels & Cannice, 2004; Miles, Huberman, & Saldana, 2014), but which appeared to be
meaningful for the study (Bazeley, 2013). For instance, my field notes would describe the extent to which the respondent’s office decorations were ‘Islamic’ in nature (e.g. Quranic calligraphy, Islamic art), how the respondent dressed (e.g. if she was a woman, was she covering her hair?), and the passion with which he/she discussed religious matters. This was important in helping to better understand the position and significance of Islam in the respondent’s life.

The interviews conducted so far all lasted between 80 and 100 minutes. The interview guide developed from the literature review discussed earlier helped in identifying key themes for analysis, although these were complemented by additional themes that arose during the interviews (Rivas, 2012; Strauss, 1987). Each theme was then linked to a code (category) before more passages on the same theme were identified. Coding is simply a process that makes the data more manageable for researchers by dividing them up into themes or patterns, thus enabling them to retrieve and compare data marked with the same code (Gibbs, 2007; Grbich, 2013; Seale, 2012).

4. FINDINGS

4.1 Religiosity of respondents

Based on their responses to the interview questions discussed above, all respondents demonstrated a high degree of religiosity. For example, all prayed regularly, all the male respondents attended Friday prayers, and so on. Two of the respondents even served as religious teachers in their local community, delivering regular talks in the evenings and at weekends. In addition to the interviews, I also used my observations of the respondents’ office environments, as well as their usage of Islamic terms (e.g. Insha’Allah (if God wills), alhamdulillah (all praise is due to God), etc.) during the interviews to support their religiosity claims. With no exception, all respondents’ offices contained Islamic-themed ‘art’, including
Quranic calligraphy, pictures of Mecca’s holy sites, and copies of the Quran placed high on their shelves as a mark of respect. Some of the offices I visited also had special *adhan* (call to prayer) clocks on the walls that alert those present to the beginning of the time for prayer. In all cases, respondents also regularly inserted Islamic expressions, such as those highlighted above, in their sentences. Furthermore, most of the male respondents had grown some form of facial hair (in accordance with the Prophetic tradition), while all female respondents donned headscarves and modest (loose-fitting, full-length) clothing. The female respondents I interviewed also took additional steps, such as leaving their office door slightly ajar during our interview or requesting the interview take place in a public space (e.g. library), given that close proximity between unrelated/unmarried men and women in a private space is typically discouraged in Islamic societies. In summary, all respondents were relatively devout Muslims who were familiar with the teachings of their religion.

4.2 Spiritual significance of business negotiations

All respondents here concurred that what they do in their business life is guided and inspired by their religion. One respondent even pointed out that one of his future ambitions is to establish a “Muslim identity” for his firm, including basing the company’s logo on Islamic art. Another respondent had already achieved this, giving his company an Arabic name that has religious connotations. When discussing their approach to negotiations, the respondents were unanimous in their insistence that, for them, business negotiations were not cut off from their religious beliefs. According to one respondent:

*Everything I do at work is a form of ibadah [worship], including negotiations. Even though our business negotiations involve matters that aren’t really explicitly religious—price, terms & conditions, and so on—I still try to base the way I negotiate, my objectives, my manners,*
everything, on what my religion teaches me. I may not always succeed at this, but it’s always my intention to please God in all my actions.

Another respondent pointed out that a Muslim should never lose sight of the life beyond this world. In other words, what one earns in this life, and how he/she earns it, has implications for one’s soul in the hereafter:

*What is the point of negotiations? To improve what we already have, right? In business, this usually means improving our revenues in some way. Now, as a Muslim, the money I take home at the end of the day must be acceptable to God; it must be halal [permissible]. If, through my negotiations, I have made money in non-halal ways, this money might help me in this life, but what about the next life? I will be questioned on the Day of Judgment how I made each and every cent that I made in my work. How could I face God if I had knowingly made money in haram [prohibited] ways?...I’d rather make a little honest money than a lot of haram money!*

4.3 **Influence of Islam on approach to negotiation**

For observant Muslims, religion occupies a central place in all domains of life, with business negotiations being no exception. As one interviewee put it, “When I enter a negotiation, I do not leave my religion at the door”. Since this is the case, it is important to understand the ways in which adherents of Islam are inspired and guided by their religion during business negotiations.

4.3.1 **Adab**

In a sense, the Islamic perspective on negotiations can be summed up in one rather broad term: *adab*. As noted earlier, *adab* usually refers to manners and customs, but also encompasses...
consciousness of one’s responsibilities towards God. The respondents here were all well acquainted with the concept and discussed freely how they understood adab, and the role adab played in their approach to negotiations. One theme that was common across all interviews was the significance attached to polite language. Certainly, all cultures promote the use of polite language, but what is quite unique from the Islamic perspective is its ‘divine connotations’, as opposed to just being a set of unwritten ‘secular’ social rules on how to communicate. According to one female respondent, Muslims should avoid the use of strong language when negotiating:

One of my counterparts told me that one of the reasons they want to meet and do business with me regularly is because I never use harsh words. This is a very important part of Islamic adab. We are taught to describe things until our counterparts understand, without using strong language. We have to try and explain gently and politely.

She added that cross-cultural negotiations also offer an opportunity for her and other Muslims to “set the record the straight” and show that Muslims are not aggressive, uncompromising people, which, she believes, is the way they are often portrayed in popular media:

I think many people around the world today unfortunately see Muslims as hostile people. So I also see international [business] negotiations as a chance to present a more peaceful picture of my religion...I see my role as being almost like an ambassador for my religion. So there’s extra incentive for me to ensure I negotiate in line with adab.
When asked why Muslims placed such emphasis on polite language, another respondent explained that Muslims are often taught in school to recite the Quran in a very soft, even melodic tone, which may have wider consequences on their general communicative pattern:

_In religious classes at school, when we learn to recite the Quran, we are instructed to do so in a very soothing way. We don’t simply read out the verses as if we are reading a regular book... To me, language is sacred, and we should always do it justice when we use it... I guess this value got instilled in my mind and I never use strong language, even when negotiations are getting rough. Even when someone else swears or curses, I feel very uncomfortable!_

Several respondents also saw relations between men and women as a core part of _adab_. For some of the interviewees, however, this was one of the most challenging aspects of IB negotiations, as it sometimes placed them in an uncomfortable situation. In other cultures, something like shaking hands with someone of the opposite gender may be a relatively trivial act, but for some religious Muslims, even the slightest of physical contact can make them somewhat uneasy. Interpretations vary though—for example, some of the respondents did not regard this type of action to be of much consequence, while others felt more uncomfortable. For example, one male respondent noted that he would happily shake a female counterpart’s hand “because it is not really a sexual gesture, just a business greeting”, while another described how he “greet[s] them warmly, but from a distance, so as to avoid any awkward misunderstandings”, but that this usually “makes things a bit difficult [because] they think I don’t like them”. One of the female respondents revealed that she even wears skin-tight gloves when negotiating abroad so as to avoid any direct physical contact from a cross-gender handshake. As noted by one of the interviewees, Islamic _adab_ requires one to show respect to
others and avoid causing them embarrassment. Therefore, if a woman offers her hand, he will accept the gesture:

It [shaking hands with someone of the opposite gender] is not something Islam encourages, but if a woman offers her hand, I will not decline because I don’t want to cause her embarrassment. Our religion encourages us to respect other people, and shaking hands is one way of doing this, even though, in Islam, this should only be between people of the same gender. But since they are not Muslim, we cannot expect them to know every detail of our religion.

Aside from shaking hands, some of the respondents discussed other ‘cross-gender’ challenges that sometimes emerge during negotiations, and how they respond. For example, in some cases, negotiators often treat their visitors to dinner or take them to bars in their cities. For Muslims who adhere to strict halal diets with no alcohol, this can sometimes cause uneasiness, and, as one of the interviewees acknowledges, can affect relations between parties:

In some countries, it is customary to socialise with your business partners, which is fine. But this sometimes takes place at night in bars, where alcohol is served...When invited, I usually politely decline the offer, because I do not believe it is right for me to be in such an environment, especially as a woman...Sometimes, you can see that the host is a little bit disappointed or confused by this, and yes, it does make it difficult to break this ice, as it were, and gain the other party’s trust, which can be very important when doing business.
Other aspects of *adab* that were raised included the importance attached to formal
dress, beginning negotiations with a brief prayer, and ensuring one’s visitors are provided
nice food and beverages.

**4.4 Intra- versus inter-religious negotiations**

Interestingly, most of the respondents here admitted to adjusting their negotiation style
according to the religion of their counterparts. For example, all the interviewees explained
that, when negotiating with Muslims, they will usually initiate proceedings with a prayer “in
order to remind ourselves that what we do and how we do it must be in line with our religion”,
as one respondent put it. However, when negotiating with non-Muslims, most of the
respondents actually admitted to omitting the prayer. According to one interviewee:

> We try to make them [non-Muslim negotiators] feel comfortable. Since our prayers are
> usually uttered in Arabic, we don’t want them sitting there not understanding us. Also, I don’t
> want them thinking we are trying to ‘preach’ to them or something, even though the prayer is
> usually just a simple supplication or something. If they’re Muslim, then they probably
> wouldn’t mind, but for non-Muslims, I worry they may get the wrong idea, so I just say “Good
> morning” or something like that.

They also tended to tone down their use of Islamic terms like ‘*insha’Allah*’, ‘*alhamdulillah*’,
and so on because “it feels a bit weird to use these expressions among people who don’t
understand them”, as one respondent elucidated. Some of the respondents also admitted to
resorting to greater emotional appeals when counterparts were Muslim. As one interviewee
explains:
Islam places a lot of importance on tawhid, unity. The Muslim ummah needs to be more united. So, sometimes when negotiations are getting a bit rough, I remind my [Muslim] counterpart of this, and how Muslim societies are lagging behind the more advanced countries...I also tell them “if you work with me on this, part of what I get goes to zakat [obligatory income tax for Muslims that goes to charity], but non-Muslims don’t have this obligation, so it may not go to charity”...So, the importance of unity in our religion is something that can help unite us during negotiations.

5. DISCUSSION AND CONCLUSION

Conducting negotiations across countries is a common feature of IB. However, failure to respond to local cultures often impedes successful outcomes. In order to improve their chances of success, IB negotiators need to develop a better understanding of the prevailing local value systems and worldviews in their host markets. Although the literature on cross-cultural negotiations is fairly extensive, scholars have tended to overlook the role and influence of religion. In several modern societies, this is understandable, given the marginal role occupied by religion in public life, including in the domain of business. However, in some parts of the world, religion continues to serve as a significant reference point for public affairs, which is the case in much of the Islamic world (hence the use of the term ‘Islamic world’). In order to better understand how religion can influence negotiation style, the present study focused on observant Muslim negotiators, and how their religion guides them during negotiations. As the findings suggest, in Muslim societies, religious values are often central to the way observant Muslims approach negotiations. For them, business (and by extension, business negotiations) is inseparable from religion. As they see it, all their actions in this life have implications for their wellbeing in the next life. Therefore, they are careful to
ensure that their approach to business activities in general, and negotiations in particular, is consistent with their religious beliefs.

The study has important managerial implications. As the Islamic world takes on more importance in global business, IB negotiators will need to develop a better understanding of Muslim-majority markets. When negotiating with pious Muslims, managers should familiarise themselves with basic rulings on food, gender relations, prayer times, and so on. For example, rather than inviting their Muslim counterparts to a bar, negotiators could seek out restaurants that serve halal food. Also, when one’s counterpart is female, it may help to include females on one’s team and to allow them a greater role, particularly if any socialising is involved. Familiarity with and understanding of central Islamic beliefs such as tawhid would also, I believe, go a long way to understanding the worldview and values of one’s Muslim counterparts.

Conclusions and implications arising from this study should be viewed in light of two important limitations. Firstly, the data are limited to managers based in northern Malaysia. The Muslim world is varied and comprises such diverse countries as Senegal, Yemen, Kazakhstan, and Indonesia, where languages, customs, and traditions are far from ubiquitous. This is further complicated by the fact that there are two main denominations of Islam: Sunnism, which accounts for around 85 to 90 percent of Muslims worldwide, and Shiism, which is concentrated in Iran, Iraq, Azerbaijan, as well as parts of South Asia and is followed by the remaining 10 to 15 percent of Muslims. Malaysia, which served as the context of the present study, belongs to the Sunni world, and all respondents identified with this particular denomination. Naturally, the diversity of the Muslim world, coupled with the Sunni-Shia schism, restricts the generalizability of the findings.

Secondly, religiosity—and interpretations of religion—vary considerably across individuals. While many Muslims around the world observe their daily prayers and other
rituals, others may only observe certain rites or none at all. Therefore, not all Muslims would approach negotiations the way the respondents here do. For those of a more secular leaning, the issues of pre-negotiation prayers and socialising in bars are unlikely to generate as much concern or attention as they do for more conservative Muslims. However, by selecting only ‘religious’ Muslims, I believe this weakness has been somewhat mitigated. Given that the study’s focus is on the influence of Islam, it was important to draw on the experience of Muslims who adhere closely to the religion, rather than those for whom religion is largely a ‘private’ affair that has no place in public activities like business negotiations.
6. REFERENCES


1 The Quran is Islam’s sacred text, representing a collection of the divine revelations the Prophet Muhammad is believed to have received during his lifetime. It comprises 114 chapters of varying lengths. In this paper, references Quranic statements include both the chapter and particular verse within that chapter. Therefore, “Quran (2:15)” refers to the fifteenth verse in the second chapter.

2 Islam places considerable emphasis on *ihsan* (‘to do what is beautiful’). Since human beings should strive to follow the divine model, and because God is seen as being beautiful, all activity should thus be performed ‘beautifully.’ For an in-depth discussion of the place of *ihsan* in Islamic life, the reader is encouraged to consult Murata & Chittick’s *The Vision of Islam* (2006: 265-312).