# Non-Verbal Communication in Business Negotiations between Finland and Estonia



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International Busienss Abstract

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The purpose of this thesis was to analyze and describe communication overall, find out what types of negotiation exist, and then find out what is non-verbal communication, and what role it plays in business negotiations, especially between Finland and Estonia.

For this thesis, the author proposed to find out the importance of non-verbal communication in business negotiations between Finland and Estonia, to help the commissioning company -Sudex OU lead better negotiations and expand in a new market like Finland.

Language plays an influential role in business negotiations. The act of negotiating itself can be described as a form of social interaction between both parties. As with any human interaction, business communication, negotiations, and conversations depend not just on what was said, but also on how it was presented. However, non-verbal communication can also be a strong barrier in negotiations, which can lead to confusion on both sides, because non-verbal communication is specified in each country.

In order to gain more reliable information about the negotiators of Estonia and Finland, the author decided, in addition to conducting a literature review, to use a qualitative method of data collection. This involved interviewing three company representatives from each side on the topic of non-verbal communication and the impact of non-verbal communication on negotiations.

Based on the results of the thesis, the author found that non-verbal communication takes place in negotiations because it will undoubtedly help to analyze the opponent and find out with whom negotiations are being conducted. However, one should not pay attention only to non-verbal signs, it is also essential to study the mentality, culture, and habits of the person with whom it is planned to negotiate.

Keywords Communication, non-verbal communication, negotiations, Finland, Estonia.

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## 1 Introduction

People have always found ways to communicate with each other, and language is not the only way to convey information. In addition to verbal communication-language, people also use non-verbal communication or "body language" without realizing it.

Language plays an influential role in business negotiations. Negotiation itself is a form of social interaction where both parties interact with each other. Business communication, negotiations, and conversations, as well as human interaction in general, are based not only on transferred information but also on how that information was presented. The body signals, conscious or unconscious, play a significant role in communication.

During the negotiations, various incidents may arise - extreme emotionality, conflict, or belonging of the negotiators to different cultures. All these spectra complicate things a lot, and in such a situation, the ability to read people's non-verbal signs can be a good advantage, likewise, a good source of information. That shows the importance of knowing the specific non-verbal cues that accompany speech.

In this thesis, the author aims to discover what Estonian negotiators require to know about Finnish non-verbal communication to have a successful negotiation and achieve the main goal. The non-verbal communication of both sides - Estonians and Finns will be analyzed to accomplish this.

Even though these two countries are geografically and historically close, there are similarities and differences. To fully understand non-verbal communication for both parties it will be necessary to understand the concepts of communication, types of negotiations, and then the history of non-verbal communication between Finland and Estonia.

#### 1.1 Research motivation

The author is working for an Estonian company -Sudex OÜ, in the position of sales manager and brand manager. Sudex OÜ is a wholesale company that is already well-known in many different markets in the field of hunting, fishing, and outdoors. (E-Krediidiinfo, 2011)

Sudex OÜ has the leading group of products- pneumatic weapons and is an exclusive distributor of well-known brands in this field. In addition to the main product group, the company is also engaged in the development of its clothing brand -Remington Synergy World. (Sudex OÜ, n.d.)

Client work is conducted mainly over phone calls and via e-mails, which makes it hard to understand the feelings and emotions of clients without seeing people face-to-face. (Sudex OÜ, n.d.)

From year to year, the company expands and covers new markets, once it is much easier to enter some countries, while others are a little more difficult. To do this, Sudex OÜ exhibits its stands at various exhibitions to get to know its customers better and demonstrate the entire assortment. Furthermore, there are business trips to different countries, starting in Estonia and continuing throughout Europe and beyond. (Sudex OÜ, n.d.)

And no matter how paradoxical it may seem, Sudex OÜ has its presence throughout Europe, and only in Finland, a neighboring country to Estonia, there the least number of customers. (Sudex OÜ, n.d.)

The author multiple times went on business trips around Finland, but as a result, the clients' relationships did not work, after which the question "Why?" repeatedly arose.

## 1.2 Research question and methodology

Taking into account the information that was mentioned earlier, the author proposes the following research question:

"What role does non-verbal communication play in a business negotiation between Finland and Estonia?"

Answering this question enables the author to negotiate with Finnish entrepreneurs qualitatively. Moreover, the author will help other managers in the company Sudex OÜ increase the number of customers in the Finnish market, as Finland is an invaluable market for the development of the company.

The researcher uses qualitative data analysis to understand the answer to the research question that was noticed above. From the point of view of Estonian-Finnish negotiations, the author examines non-verbal communication as one of the most significant elements. To gather more valid material, the author will read books about non-verbal communication, business negotiations, and analyze business journals. Furthermore, the author will interview three different companies' representatives from each side, working in various business fields, to consolidate the theoretical part of the work.

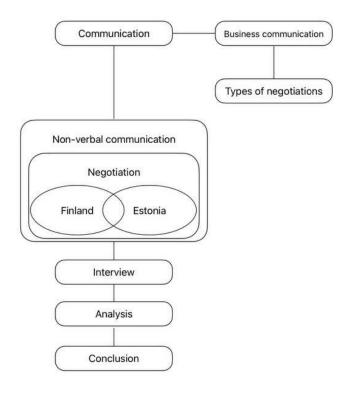


Image 1. Conceptual framework

## 2 Theoretical Framework

## 2.1 History of communication

From time immemorial, even before languages were invented, people have always sought to communicate with each other. Early man was forced to communicate creatively, the oldest known form of communication being rock paintings, through which entire stories were told. When speech emerged around 500,000 BC, communication changed, but the system was still not perfect and needed help. (Novak, 2019)

Information was displayed using symbols and pictures in ancient times, along with verbal communication. Moreover, communication for ancient man became more complicated as the variations of rock paintings turned into pictograms, and later ideograms were created, which were used to convey concepts. (Novak, 2019)

Ancient people were considered at moments to be unintelligent and savage, but the reverse is what was discovered to be true. This type of communication enabled people and animals to be represented simply by drawings, but whole ideas could be conveyed with only a single symbol. Intellectual power facilitated the initial use of all kinds of communication, which led to the explosion of communication that people use today. (Novak, 2019)

## 2.2 Concepts of communication

Contacts and relationships between individuals and groups of individuals are established and developed through communication. Each communication includes one message sender and recipient. (Luhmann, n.d.) Transmitting a message from sender to receiver is not an easy job and can be influenced by various factors such as culture, emotions, type of information submission, and location. (Munodawafa ,2008)

As a result, there are three main components to communication: sender, message, and receipt. According to the way the message is conveyed (live meeting, phone call, letter), the sender "encodes" the message using a mixture of words and non-verbal communication, while the recipient "decodes" the message. (Skills you need, n.d.)

There can be more than one recipient of the message, and everyone can interpret the same message in different ways, choosing other words, varied intonation, and delivery. And there is also the possibility that none of the recipients will receive the same understanding as the sender. (Skills you need, n.d.)

In the written form of communication, the roles of the sender and the recipient differ, while in live conversation, these same roles practically do not differ. These roles will be transferred both ways, between the two-speaking people through words, eye contact, and gestures. (Skills you need, n.d.)

There are four main types of communication- verbal communication, non-verbal communication, written communication, and visual communication. Some scientists claim that there is one more type -listening communication, but not everyone agrees with that. (Business jargons, n.d.)

#### Verbal communication

Verbal communication is the transfer of information through words. In verbal communication, a person conveys his thoughts, ideas, and opinions through words, and describes feelings. The effectiveness of verbal communication depends on the tone, loudness, and clarity of the words. In this case, feedback comes instantly since both the sender and receiver receive transmissions and receptions simultaneously. (Buck & VanLear, 2002)

#### Non-verbal communication

Many studies show that almost all communication, or about 90 percent, is non-verbal communication. Often, when people want to say one thing, the body says something completely different, and this happens unwillingly. A person cannot transmit information to the interlocutor without facial expressions, gestures, and other body movements. (Buck & VanLear, 2002)

#### Written communication

Written communication is a form of verbal communication, but it is so different from oral verbal communication that this form acquires its type. Written communication - everything ones writes letters, notes, messages, text. In written communication, it's important to know the audience and the purpose, and it's also important to be consistent. (Inc, 2020)

#### **Visual communication**

Visual communication is not as often talked about, but it is also very important. For example, when a person presents something, in addition to verbal communication, a person also uses visual communication with the help of photographs, drawings, and diagrams, so that the listener effectively perceives the necessary information. (Willkomm, 2018)

#### 2.3 Cross-cultural communication

Cross-cultural communication refers to communication between people who belong to different cultures. Communication across cultures requires overcoming language and customs barriers as well as differences in beliefs, and values. This communication plays a big role in the modern world and is found everywhere: business, diplomacy, education, travel, and even just everyday communication. (O' Donoghue, 2019)

Cross-cultural communication is essential to avoid misunderstandings that can lead to conflicts between individuals and groups. Intercultural communication creates a sense of trust and promotes cooperation. (O' Donoghue, 2019)

Culture is defined by cultural norms, which guide social interactions in many frameworks. Several researchers have developed frameworks for describing different cultures, such as Geert Hofstede, Fons Trompenaars, Edward T. Hall, and Jeanne M. Brett. (Mind Tools Content Team, n.d.)

## 2.3.1 Hofstede's Cultural Dimensions Theory

Psychologist Dr. Geert Hofstede published the first model of cultural change in the late 1970s, based on decades of research. Hofstede's theory of cultural change provides a framework used to understand and define the way business is done in different cultures. Understanding cultural differences is based on this theory, which has become an international standard. (Nickerson, n.d.)

Initially, Hofstede identified four main changes by which one culture can differ from another. In collaboration with Drs Michael Bond and Michael Minkov, the fifth and sixth changes were added. (Mind Tools Content Team, n.d.)

Hofstede's six dimensions are: Power Distance Index (High or Low) – PDI, Collectivism versus Individualism – IDV, Uncertainty Avoidance Index (High or Low), Femininity versus Masculinity- MAS, Short-Term vs. Long-Term Orientation, Restraint vs. Indulgence – IVR. (Mind Tools Content Team, n.d.)

## **Power Distance Index**

This index takes into account the degree of tolerance for inequality of power. Using this dimension, power and inequality are viewed from the point of view of followers, the lowest level. In cultures with a high-power distance index, power is unequal, bureaucracy is encouraged, and authority is highly respected. A low power distance index indicates otherwise. Power is divided and widely dispersed, and members of society do not accept situations where power is distributed unevenly. Corruption is unacceptable and reduced to the bare minimum. (Mind Tools Content Team, n.d.)

#### Collectivism versus Individualism

The measure of collectivism and individualism looks at the strength of the bonds people have with others in society. Individualism indicates a weak interpersonal bond between those who are not part of society. In individualism, there is a strict "I", people take less responsibility for the actions and results of others. Collectivism indicates that people are

loyal to each other, there is a strict "We". In this case, people hold on to each other and protect the interests of others. People take responsibility for the well-being of each other. (Mind Tools Content Team, n.d.)

## **Uncertainty Avoidance Index**

The Uncertainty Avoidance Index shows how people act in unknown situations and unexpected events. Countries with a high uncertainty index have a low tolerance for uncertainty and are risk averse. Uncertainty is minimized by strict rules. Countries with a low uncertainty index have a high tolerance for uncertainty. What is unknown is accepted more openly, there are lax rules and regulations. (Mind Tools Content Team, n.d.)

## **Femininity versus Masculinity**

The feminine and masculine dimensions represent society's preferences for achievement, attitudes toward sexuality, equality, and behavior. A masculine society defines the roles of men and women clearly, emphasizes assertiveness, and focuses on material success. Feminist societies view modesty as a virtue, both men and women have equal roles. Great importance is attached to good relationships with supervisors or working with other people who cooperate well with each other. (Mind Tools Content Team, n.d.)

## **Short-Term vs. Long-Term Orientation**

The measurement of long-term orientation versus short-term orientation takes into account the extent to which a society considers its time horizon. In a long-term orientation, a society is focused on the future, people in this society do not consider short-term successes.

Countries with a long-term orientation tend to be pragmatic and more frugal. In the short-term orientation, society is focused on short-term and short-term success. As a rule, people do not think about the future, focusing on quick results. (Mind Tools Content Team, n.d.)

## Restraint vs. Indulgence

Indulgence and restraint - it is how societies can control desires and impulses. Indulgence indicates that society is biting the free satisfaction associated with entertainment and enjoyment of life. Restraint indicates that society suppresses the satisfaction of needs and regulates this through social norms. (Mind Tools Content Team, n.d.)

### 2.3.2 Comparison of Estonia and Finland on perspective of Hofstede's dimensions

Hofstede's theory of cultural dimensions is measured on a scale of 100 in each dimension, with 0 being the lowest and 100 being the highest. All countries are different, and even countries like Estonia and Finland, which are geographically and historically close, have cultural differences. (Hofstede Insights, n.d.)

Below is a table, according to Hofstede's theory of cultural dimensions, where can be distinguished the dynamics of differences between these two countries.

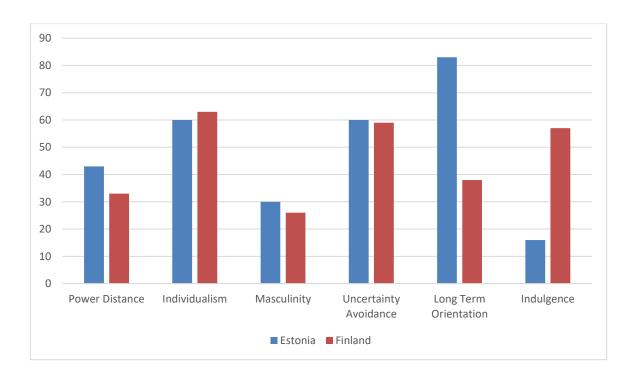


Image 2. Comparison of Finland and Estonia on perspective of Hofstede's dimensions

#### **Power Distance**

Estonia has a fairly low score of 40 points on the indicator of the power distance index, which indicates that Estonians have difficulty obeying and are not very friendly towards

people who occupy positions of authority based on rank and status of power. Estonians respect leaders who give employees the opportunity to express opinions and express disagreement. Finland scored just below -33 points, which means that the Finns are independent, the hierarchy was created only for convenience, everyone has equal rights, and there is the availability of superiors. This indicator also indicates that management helps employees and expands opportunities. Typically, managers rely on the experience of team members, while employees expect management to consult with everyone. (Hofstede Insights, n.d.)

#### Individualism

Estonia (60 points), as well as Finland (63 points), belong to the individualistic countries according to Hofstede's dimensions with a difference of 3 points. In most cases, these two nations believe that everyone should be allowed to do what is wanted and reach new heights. In these countries, people are expected to take care of only the closest circle - the family. In individualistic societies, the relationship between employee and employer is a contract based on mutual benefit. Estonians, like Finns, are direct communicators who only say what is on minds, and conversations about personal life are kept to a minimum. (Hofstede Insights, n.d.)

#### Masculinity

Both countries are feminist countries, where Estonia scores 30 and Finland scores 24. These scores indicate that in feminist countries there is equality in all areas of life. Society is driven by a certain amount of modesty and justice, people do not brag about own achievements, but quietly move on. Estonians, like the Finns, despite the directness of communication, avoid any conflicts and try to reach a compromise in any dispute through negotiations. Many Estonian companies are run by young people who prefer an informal and consultative style of communication. Thus, decisions are made by obtaining support through participation. (Hofstede Insights, n.d.)

#### **Uncertainty Avoidance**

Estonia scored 60, while Finland scored 59, which means that both countries are countries with a high level of uncertainty avoidance. In both countries there is an emotional need for rules, time is money, and people have an inner drive to be busy and work hard. Accuracy and punctuality are the norm in Estonia and Finland, safety is an important element of individual motivation. (Hofstede Insights, n.d.)

#### Long term orientation

With a high score of 82, Estonia demonstrates high pragmatism. In such societies, people believe that the truth is very dependent on the situation, context, and time. Estonians show the ability to easily adapt traditions to changing conditions and also, show a strong propensity to save and invest. While Finland has a rather low -38 points in this dimension, which indicates that people in such societies are strongly concerned with establishing absolute truth. Finns show great respect for tradition, have relatively little propensity to procrastinate, and focus on getting things done quickly. (Hofstede Insights, n.d.)

## Indulgence

The very low Estonian score of 16 indicates that the culture is very reserved in nature. Societies with low scores in this dimension are prone to cynicism and pessimism. In addition, countries with such a low rate tend not to pay much attention to leisure and do not control the satisfaction of desires. While Finland scores fairly high in this dimension - 57. This is indicative of Finn demonstrating a willingness to fulfill impulses and desires in regard to enjoying life. In addition, Finns attach great importance to leisure, and behave as people like. (Hofstede Insights, n.d.)

## 2.3.3 Cross-cultural communication in business negotiations

Business success in an increasingly globalized and virtual world requires skills to bridge cultural differences. Across cultures, communication is a delicate and sometimes treacherous process that requires people from vastly different backgrounds to work harmoniously together. (Meyer, 2015, p. 37-39)

Cross-cultural negotiations occur when people from different cultures work together toward the same goal. People from different cultures may feel uncertain about how to proceed during negotiations and are often confused by each other's statements and behavior. In cross-cultural negotiations might be a high probability of misunderstanding and conflict, because each nationality has different goals and priorities. Moreover, each culture has its manners, values, and beliefs, which makes the style of negotiation different. In intercultural meetings, it is necessary for both parties to respect and know the culture of the negotiator and realize that this or that incomprehensible action should not cause an adverse reaction. (Meyer, 2015, p.10-12)

In cross-cultural negotiations, it is essential to react slowly and carefully, not rushing to draw conclusions about the negotiator. Any intercultural ignorance or negligence on the side of the negotiator can lead to communication errors and negotiation failures. (Huang, n.d., p. 196-197)

For example, some countries concentrate on friendly relationship negotiation, where people can also discuss personal lives in addition to the very essence of the meeting. Besides, other countries prefer to go straight to business to achieve the set goal faster. However, these cultures can work together, taking into account the cultural values of each. (Huang, n.d., p. 196-197)

#### 2.4 Business communication

"Communication is the key" because communication is an important element in the success of any business. (Martin, n.d.) Whether the individual is a manager communicating the internal goals of the team or a virtual manager working with clients, clear and productive business communication can make or break the success of an entire company. In a competitive environment, uncertainty, and constant stress, effective business communication becomes a significant competitive advantage. (Martin, n.d.)

Business communication includes four main types: upward communication, downward communication, lateral communication, and external communication.

Communication within a company or the exchange of information within an organization can be classified as upward, downward, or lateral communication, while external business communication refers to the interactions between a business and an external party. (Martin, n.d.)

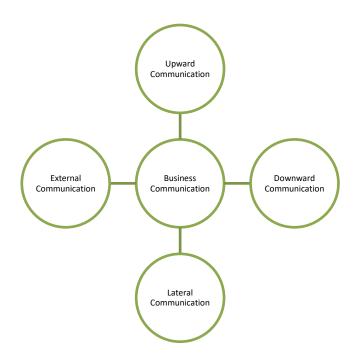


Image 3. Types of Business communication – adapted (Martin, n.d.)

## 2.4.1 Upward communication

Upward communication deals with any interaction that moves up the hierarchy of any business. An effective communication system ensures that the organization operates effectively and helps the organization communicate with the outside world. Upward communication then involves information from employees in a lower position to superiors, managers, or directors. Thus, lower-level employees can communicate directly with senior management in order to convey any grievances or, on the contrary, give an idea on how to improve the workflow of all employees. (Martin n.d.)

#### 2.4.2 Downward communication

Downward communication goes through the formal chain of command, starting at the top and working its way down the business hierarchy. This type of communication is exactly the opposite of upward communication, but often the two types work hand in hand. Downward communication allows management to disseminate information, delegate responsibilities, and enforce standards. (Grimsley, 2021)

#### 2.4.3 Lateral communication

Lateral communication, or as it is also called horizontal communication, occurs between people, divisions, and departments that are on the same level in the company's hierarchy. In this type of communication, colleagues exchange various information, ideas, or concerns about a particular problem. (Martin, n.d.)

#### 2.4.4 External communication

External communication includes the transfer of information between a business and another individual or legal entity in the external environment of the company (potential customers, suppliers, investors, shareholders). And the communication channel for external communication is personal communication, the media, newspapers, radio, television, etc. (Martin, n.d.)

## 2.5 Types of negotiations

There are different types of negotiations in business, and each type requires a different approach to achieve the set goals. When preparing for a negotiation, every business professional often wonders what type of negotiation is available in a given situation. Some of the most common is distributive, integrative, team, and multilateral negotiations. (Shonk, 2019)

## Distributive negotiation

This type of negotiation involves two or more parties trying to divide a fixed number of resources, such as money or property. In this situation, each party will try to maximize its share of the resources, so the outcome may be a win-lose situation for each. (Indeed Editorial Team, 2021)

## Integrative negotiation

Negotiations like this are also known as "win-win" negotiations because two or more parties work together to reach a mutually beneficial solution. Instead of simply dividing a fixed number of resources, the negotiation aims to maximize value. (MasterClass, 2022)

## **Team negotiation**

The term team negotiation refers to a situation where more than one person in the party participates in the negotiation. Major business negotiations or union contract negotiations may be part of these discussions. (Shonk, 2019)

#### Multilateral negotiation

In this type of negotiation, three or more parties, individually or collectively are negotiating. Negotiations involving several parties can be challenging and require careful management to make sure that all parties' interests are taken care of. (Indeed Editorial Team, 2021)

These are just a few examples of the types of negotiations that can occur in various situations. Depending on the parties involved and the circumstances, a different type of negotiation will be used. (Shonk, 2019)

#### 2.6 Non-verbal communication

There are many ways to communicate without the use of words, and one of them is through manual language or non-verbal communication. Communication is the key to successful personal and professional relationships, but it is not the word people use, but non-verbal cues that speak loudest. (Burgoon et al., 2022, p. 6)

Many studies show that almost all communication, or about 90 percent, is non-verbal. Every day a person reacts to various non-verbal signals, and the handshake, hairstyle, and posture reveal a person and attitude of emotions toward other people. (Nordquist, 2020)

Non-verbal communication includes several important factors that play a key role in communication. These factors are proxemics, physical appearance and physical contact, eye contact, facial expressions, gestures, and posture. (Nordquist, 2020)

#### 2.6.1 Proxemics

Personal space is an acceptable space for each person, and it is different for everyone. Personal space, also known as proxemics- is a significant type of non-verbal communication. It is the way a person shows others how convenient people are at a specific distance. The size of the intimate space between people depends on the relationship and the type of conversation. Cultural aspects and personal characteristics play a significant role as well. There are four types of spaces (intimate, personal, social, and public), and each has its distance between speakers. (Zhang, Zhou, n.d., p. 91)

- Intimate distance (direct physical contact-45 cm)- relationships.
- Personal distance (45-80 cm) -close friends and family.
- Social distance (1.30 meters to 3 meters) -people who work together or doing business, strangers.
- Public distance (over 3 meters)- people who do the public speaking, teachers. (Zhang & Zhou, n.d., p. 91)

#### 2.6.2 Physical appearance and physical contact

Appearance is essential because it forms a person's assessment. Appearance can greatly affect the first impression, and this is something that cannot be fixed. If the first impression is spoiled between the speakers, then the likelihood that people will communicate in the future is very small. In addition, physical attractiveness affects how a person perceives himself and how that person is perceived by others. (Goman, 2008)

Clothing has an impact on perceptions of trustworthiness, likability, attractiveness, and dominance, but many researchers agree that clothing has the biggest impact on trust. Many negotiators neglect this point, and as a result, negotiations often fail. (Goman, 2008)

Speaking of physical contact, it depends on the person and what country that person comes from. Different countries have characteristics and limits of what is permissible. But there are also generally accepted norms, for example, it is impolite to point a finger at a person or poke a person because this is a sign of disrespect. (Goman, 2008)

#### 2.6.3 Eye contact

Eye contact is a meaningful aspect of body language. Depending on where the meeting, event, or negotiation takes place, there are different "formulas" for the exchange of views. It is even possible to make a list of specific "rules" regarding eye contact. Several functions of eye contact are involved in communication, such as interaction with others, monitoring other people's interactions, and establishing relationships. (Zhang & Zhou, n.d., p. 91)

It is essential to understand that each culture has its characteristics and for someone, for example, looking in the eyes during a conversation is normal, for others it will be a sign of disrespect. (Zhang & Zhou, n.d., p. 91)

People's eyes can indicate a range of emotions, including hostility, interest, or attraction. For example, during negotiations, the presenter always examines the audience, and through the eyes, it is possible to see how people perceive information at a given moment and how the audience feels. (Zhang & Zhou, n.d., p. 91)

Normal, consistent eye contact is often taken as a sign that the person is telling the truth and is trustworthy. On the other hand, shifty eyes, and an inability to maintain eye contact are often seen as an indicator that a person is lying or understating. (Zhang & Zhou, n.d., p. 91)

## 2.6.4 Facial expressions

Facial expression is the most expressive part of the body and is also the most essential source of non-verbal information. The expression on a person's face is often the first thing that is seen, even before one hears what the person has to say. (Burgoon et al., 2022, p. 50)

One of the easiest ways to determine an emotion is through facial expression. This is because the facial expression is very challenging to control, and people often give off a feeling without even realizing it. However, many people learn to hide real emotions behind obvious emotions, such as a smile. This skill is especially crucial in the field of business, which helps in part to avoid some possible problems. (Zhang & Zhou, n.d., p. 92)

While non-verbal communication and behaviour can vary greatly across cultures, expressions of happiness, sadness, and anger are the same all over the world. In any case, facial expressions should be interpreted with caution based on cultural differences. (Zhang & Zhou, n.d., p. 93)

#### 2.6.5 Gestures

Gestures are expressive movements of a body part, evident in non-verbal communication. When people gesticulate with hands or wave heads, it shows the mood of the interlocutor, the attitude toward the person, and much more. Others can determine whether someone is lying or telling the truth by the most elementary movements. Gestures are also used to replace or complement verbal communication. (Burgoon et al., 2022)

Both verbal and non-verbal communication is not universal. It is essential to consider that the same gestures have different meanings in different cultures. People can make both voluntary and involuntary motions. For example, when somebody has great joy, that means that the person is overwhelmed with emotions, and then involuntary movements occur, which additionally indicates this. (Zhang & Zhou, n.d., p. 93)

Hand gestures are multifaceted, as well as the meaning of these gestures. With hands, people can straighten clothes or hair, tap fingers on the table, and much more, which indicates a person's condition. (Zhang & Zhou, n.d., p. 93)

When talking about gestures, many perceive only hands as a gesture, but this is not so. The position of a person's head also says a lot, and it is especially important to know this for negotiations. If the person's head is looking straight ahead and the neck is stretched slightly forward, this is a good sign that the person is interested in the topic. And if the person's head is slightly tilted to the side or slightly turned away from the speaker, then this is a sign

that the person's attention is diverted from the main topic and this person is not interested or bored. (Zhang & Zhou, n.d., p. 93)

Specialists in the study of body movement emphasize that no single gesture in itself carries significant meaning. It is necessary to study the whole "picture" in general to understand what this or that gesture means in this context. (Zhang & Zhou, n.d., p.93)

#### 2.6.6 Postures

The human body can say a lot, and from the position in which others are standing, it can be easily determined in what mood the interlocutor is now. People from different cultures learn to sit, walk, and stand differently. Non-verbal communication can be so heavily influenced by a culture that even individuals with extensive experience in intercultural communication may not grasp how non-verbal action differs from culture to culture. (Goman, 2008)

A person can hide emotions (joy or anger) on the face because this is something that can be controlled, but the person's posture will always tell the truth. The pose is heavy to break off, and even the smallest detail can show how a person is feeling now. (Zhang & Zhou, n.d., p.93)

The position is divided into two types- open and closed. The closed position usually includes crossed legs/arms, and in the closed position, the person is usually turned away from the interlocutor. A closed pose shows that a person is not cozy, not interested, and is closed from the interlocutor. An open pose- uncrossed legs, open arms, opposite shows full interest in the interlocutor and shows complete interest in the conversation. (Zhang & Zhou, n.d., p. 93)

## 2.7 Non-verbal communication in negotiations

Successful negotiation lies in the correct upholding and protection of the interests of the person. Body language is one key element that is challenging to manage in negotiations because it will affect the outcome. Body language provides valuable information and

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thoughts or references to certain issues that the speaker does not necessarily want others to

know. (Staff, 2022)

Many negotiation experts advise meeting counterparts in person whenever possible, rather

than negotiating over the Internet, no matter how convenient it is. An only in-person

negotiator can see the proper behavior of a person, how the person will stand, and what

gestures will use. Without access to the gestures/poses/mimics, negotiators will have

difficulty reading each other accurately and establishing rapport. (Staff, 2022)

There are over 135 different gestures, postures, facial expressions, and head positions.

About eight of these grids represent face and head gestures, including nine different ways of

smiling. And all this can be studied only in person, seeing the interlocutor. (Staff, 2022)

There are certain scenarios to help negotiators understand how body language in

negotiation may be affecting the outcomes. Some of them listed below.

Scenario 1: To mimic or not to mimic?

During negotiations, people sometimes notice that the person communicating seems to

imitate another's posture and various gestures. It has been proven that the respiration rate

and heart rate of negotiators are synchronized over time. When this is detected, though, it is

not worth the discomfort; rejoice. Mimicry is a sign that both negotiators strive to establish

mutual understanding and find the points of contact. (Curhan & Pentland, 2007, p. 803)

This very "imitation" makes people feel comfortable during the conversation and encourages

trust. People tend to view those who imitate the other person's behaviour as more honest. It

is nonetheless worth noting that some negotiators are already aware of such "tricks" and

can try to employ them strategically, for example, by emulating the interlocutor to gain

mutual understanding. (Staff, 2022)

Scenario 2: To trust or not to trust?

During negotiations, it is necessary to evaluate the interlocutor and understand whether the person is lying or not. It is usually difficult for a person who is lying to follow behavior, and it so happens that emotions say one thing, but the body is completely different. However, one cannot rely only on non-verbal signs: during the entire conversation, it is possible to ask the same question, interpreting it each time, then over time it will become clear which person is sitting next to. (Staff, 2022)

## Scenario 3: Can others read minds?

Facial expression, especially during negotiations, says a lot because it is the facial expression of a person that can tell about the emotions that a person experiences. By smiling and keeping a positive and open face, a person is more predisposed and gives trust. (Curhan & Pentland, 2007, p. 804)

Negotiators with experience know how to smile even through teeth when dealing with tense situations or unpleasant people. Only a small percentage of people will be able to read a fake emotion if done by a professional. (Williams, n.d.)

## 2.8 History of communication between Finland and Estonia

Finland and Estonia have a long history of communication that dates back to the Middle Ages. Throughout history, the two countries have been influenced by each other. A close geographical location facilitated ideas and goods exchange. Finland plays a huge role in the Estonian economy - Finland is an essential trading partner. Finnish organizations account for about a quarter of all FDI (Foreign Direct Investment) in Estonia. (Mikecz, 2006)

One of the earliest recorded contacts between Finland and Estonia dates back to the 12th century when Finnish and Estonian merchants and fishermen began to trade with each other. Following Estonia's conquest by the Teutonic Knights in the 13th century, both countries became increasingly connected as the Knights used Finnish labor to settle and develop Estonia. (Kiviloog, 2016)

The Soviet Union's creation and the division of Europe in the early 20th century influenced relations between Finland and Estonia. During this time, communication between the two countries was limited by political and economic factors, as Finland maintained a policy of neutrality during the Cold War. (Kiviloog, 2016)

However, after the collapse of the Soviet Union in the 1990s, communication, and trade between Finland and Estonia expanded rapidly. Today, the two countries are closely connected by several channels, including trade, tourism, and cultural exchange. The two countries share a common language family, with Finnish and Estonian being part of the Finno-Ugric language group, which helped facilitate communication between the two countries. (Kiviloog, 2016)

Finland and Estonia have been communicating for quite some time now. As a result, many factors have affected the relationship between the historical periods, which has led to a long and complex history of communication. Despite periods of political and economic tension, the two countries continue to maintain close ties, with communication and trade continuing to play a leading role in relationship today. (Mikecz, 2006)

#### 2.9 Finland and non-verbal communication

## 2.9.1 Non-verbal communication

Finland is a country that places a great emphasis on nonverbal communication, especially in social interactions. Finns tend to value personal space and privacy, and not engage in as much physical touch or expressive gestures as people from other cultures. Physical touch is generally reserved for close friends and family members. This may include avoiding hugs, kisses, or other forms of physical affection. (Alho, 2002) Finn needs a residual mental and physical space of -47 inches or 1.2 meters. (Lewis, 2006, p. 330)

Handshakes are a common form of greeting in Finland, especially in business and formal settings. However, other forms of physical touches may not be as common. (Business Culture, n.d.-a)

The Finns show a clear weakness in communication - the people talk little and often avoid showing off relations with other people because of shyness. Moreover, silence is not equated with a refusal to communicate, but with an integral part of social interaction. (Lewis, 1996) Nevertheless, it is fair to say that Finland is a country where the spoken word has considerable importance - words are carefully chosen and meant to convey a message. Finnish people take pauses in conversations to reflect on what has been said and may not feel the need to fill every moment with conversation. This can be perceived as uncomfortable or awkward by people from more talkative cultures, but in Finland, it is a sign of thoughtfulness and consideration. In Chinese proverbs, it is said that "Your speech should be better than silence, and if it is not, then be silent." (Alho, 2002)

Finnish citizens do not like to wave with arms excessively and show emotions in front of everyone. If a person in front of a Finn begins to wave with hands excessively, that person will seem too emotional, and this would immediately mean distrust for the Finnish people. Moreover, being overly emotional can irritate Finns. (Warbuton,n.d.)

Overall, nonverbal communication plays an important role in Finnish culture, and it is important to be aware of the nuances of body language, eye contact, and silence when interacting with Finns. (Warbuton,n.d.)

#### 2.9.2 Business communication

The history of Finnish business is short, but the history is replete with a succession of self-made successes and rugged personalities who created companies whose names are widely known today. (Lewis, 2006, p. 331)

Non-verbal communication plays an essential role in negotiations in Finland, as it does in many other cultures. Business communication in Finland is typically formal and straightforward. For Finnish people, business is business, and it is formal. Finns are pragmatic and businesslike. The typical Finnish negotiator tends to be direct but restrained in terms of non-verbal communication. The Finns are not very emotional during negotiations, as it is preferable to focus on technical moments, rather than on emotions that can interfere. The manifestation of active emotionality can mean to Finn unprofessional and

even inappropriate in business. (Planetdepos, n.d.) When working with Finns, it is essential to set clear goals and define tasks. Finnish businessmen want responsibilities and powers to be clearly defined. Finns love to show off own endurance in a single task. (Lewis, 2006, p. 335)

The tone of voice during negotiations in Finland should generally be polite, respectful, and professional. A negotiator should avoid using a confrontational or aggressive tone, as this can be seen as impolite and may damage the relationship between negotiators. Instead, the negotiator should try to maintain a calm and professional tone, even if there are disagreements or conflicts. (Business Culture, n.d. -a)

Facial expressions can play an important role in negotiations in Finland. As it was mentioned previously, Finns value honesty and directness in communication, and often rely on nonverbal cues such as facial expressions to gauge the sincerity and fairness of the other negotiator. During negotiations, the negotiator should avoid using exaggerated facial expressions, as this can be seen as insincere or unprofessional. (Business Culture, n.d. -a)

It's also important to be aware of the other person's facial expressions, as this can provide valuable insight into one's thoughts and feelings. For example, if the other person appears frustrated or confused, it is a chance to adjust the approach or provide additional clarification. (Business Culture, n.d. -a)

For Finns, maintaining good eye contact is generally considered important during negotiations in Finland. Eye contact establishes a connection between negotiators and shows respect, attention, and sincerity. (Business Culture, n.d. -a) A person's prolonged eye contact and intense gaze, however, may be considered aggressive or confrontational in Finnish culture. Finns value privacy and may feel uncomfortable if someone maintains eye contact for too long or comes too close. (Planetdepos, n.d.)

It is essential to find a balance and be aware of the other person's reaction. As a rule, eye contact during greetings, introductions, and significant moments in negotiations is appropriate, but be sure to look away and take breaks in eye contact so that the other person does not feel uncomfortable. (Planetdepos, n.d.)

Personal space is an extensive consideration during negotiations in Finland. Finnish people generally value personal space and privacy and may feel uncomfortable if someone stands or sits too close. Even when meeting with each other, the Finns briefly exchange a strong handshake and a nod of the head. It is not customary for Finns to touch each other during conversations, as is customary in many other countries. (Geo-Culture, n.d.)

In a negotiation setting, it's important to respect the other person's personal space and be mindful of the comfort level. It's generally better to maintain a respectful distance and avoid invading one's personal space. Being respectful of personal space can help establish a positive and respectful tone for the negotiation. (Business Culture, n.d.- a)

Finns also place a strong emphasis on gestures and posture during negotiations. When it comes to gestures, it's important to use gestures sparingly and with intention. Finns avoid using overly exaggerated gestures, as Finns see it as insincere or unprofessional. Instead, Finnish people use subtle and purposeful gestures to emphasize key points or to convey agreement or disagreement. (Business Culture, n.d. -a)

Posture is likewise an important consideration. It is better to maintain an open and upright posture, as this conveys confidence and professionalism. In Finnish culture, slouching or crossed arms or legs is inappropriate during negotiations, as this is seen as defensive or closed off. (Business Culture, n.d. -a)

It's again necessary to be aware of the other person's gestures and posture, as this can provide valuable insight into one's thoughts and feelings. For example, if the other person appears defensive or closed off, it is possible to adjust the chosen approach to create a more positive and productive negotiation environment. (Business Culture, n.d. -a)

#### 2.10 Estonia and non-verbal communication

#### 2.10.1 Non-verbal communication

Estonians place a great deal of emphasis on non-verbal communication. Messages are more often conveyed through non-verbal means among Estonians, such as facial expressions and gestures. Estonians tend to have a more reserved and neutral facial expression when communicating, as opposed to more expressive cultures. Smiling and nodding may be seen as insincere, and Estonians tend to use more subtle facial expressions to convey emotions. (Mizera, 2018)

Communication in Estonia is generally straightforward. Estonians tend to value honesty and clarity in communication and may be uncomfortable with vague or ambiguous language. In Estonia, people often prefer to get straight to the point and may perceive too much small talk or pleasantries as insincere or a waste of time. Estonians are known for being reserved and introverted in social situations, particularly with unknown people. (Mizera, 2018)

Estonians are comfortable with silence and may not feel the need to fill every moment with conversation. This does not mean that Estonians are unfriendly or uninterested in the conversation, but Estonian people may prefer to take time before responding. (Business Culture, n.d. -b)

Active listening skills are valued by Estonians, who may not be comfortable with interrupting or talking over others. Estonians may also appreciate others who take the time to listen to one's opinions and perspectives. (Mizera, 2018)

Estonians often avoid prolonged eye contact, especially when communicating with someone unknown. Direct eye contact is seen as a sign of aggression, dominance, or disrespect.

(Business Culture, n.d. -b)

People in Estonia tend to value personal space and are reserved when it comes to physical contact. Estonians are distant in public and may feel uncomfortable with public displays of affection or physical contact. (Business Culture, n.d. -b)

Handshakes are a common greeting in Estonia, but the handshakes tend to be brief and formal. Estonians may not be comfortable with prolonged handshakes or other forms of physical contact during greetings. (Business Culture, n.d. -b)

Estonians tend to use more subtle gestures in communication, such as slight nods or tilts of the head. Estonian people may also use hand gestures sparingly and may perceive excessive or animated gestures as insincere or exaggerated. (Mizera, 2018)

#### 2.10.2 Business communication

Estonians are considered the most skilled businessmen in the three Baltic countries; Estonians speak English best of all the Balts and communicate confidently with Finns and Scandinavians. Estonians are very calm and even-tempered, highly appreciating the ability to show self-possession even when ones are not very happy with the turn of events. As a rule, Estonians are persistent in arguments and always respond to emotional arguments with facts and numbers. Estonian businessmen are cautious and generally slow to make deals, Estonians have a strong desire to develop Western partners, trade, and protect any business Estonians see around. (Lewis, 2006, p. 357)

Estonians don't need personal relationships to do business, mostly prefer to work with people Estonians know and trust. Estonian businessmen are often perceived as aloof and cold-blooded, but this is simply because Estonian people have a formal and reserved manner. Estonians place a high value on individualism in business culture and generally prefer to be leaders rather than followers. (Koda, n.d.)

Estonians listen carefully to the opponent and never interrupt because it is offensive. Natural cynism, reinforced in the Soviet time, is covered with good manners. Estonians are slow to respond and give feedback, and this can be both positive and negative. While, for example, Americans and polyreactive Europeans are frustrated by the lack of reaction, Finns and Swedes understand Estonians very well. The Estonian people believe that questions should be answered briefly, to the point, and without unnecessary "water", especially when it comes to business. (Koda, n.d.)

In business relations, Estonians bribe with own organization and punctuality. Business is a very formal matter, there is no small talk, as Estonians prefer to focus exclusively on business, speak concisely, and not discuss personal lives. (Koda, n.d.)

Estonians are tactless people. A handshake, which is accompanied by direct eye contact and a formal greeting is a minimum that is allowed in a negotiation, hugs and kisses in public are completely unacceptable. However, some men and women will only exchange simple nods of acknowledgment instead of a handshake. (Business Culture, n.d. -b)

The Estonian people are calm, and during negotiations, businessmen prefer to communicate peacefully, without raising each other's tone of voice. The facial expression of the Estonians during the negotiations is also neutral, which does not show much emotion. Also, non-verbal gestures should be kept to a minimum during negotiations. The most common way to show the agreement is by nodding the head, which can mean "yes" or "no". It is, however, important to keep in mind that excessive nodding can be perceived as disrespectful or insincere by Estonians. (Lewis, 2006, p. 359)

When talking about posture during negotiations, Estonians believe that an open posture and a straight back show that a person is open-minded and does not hide anything. Crossed arms or legs show that a person feels uncomfortable and may not be telling or hiding something. (Business Culture, n.d. -c)

For Estonians, it is essential in negotiations how a person looks. Negotiators are usually dressed in classic suits, with discreet colors, so that it does not attract too much attention. (Business Culture, n.d. -c)

## 3 Research Methodology

This thesis was written using a qualitative research method, as the author explained earlier. The entire study consisted of an analysis of books, scientific journals, and articles on the topic of the history of communication, non-verbal communication, and a general analysis of non-verbal communication in the countries of Finland and Estonia.

Although Estonia and Finland are countries close to each other in terms of territory, these cultures have both similarities and minor differences in communication and doing business. To reinforce the data collected from various sources, the author decided to conduct interviews from both sides. Three interviews were taken from each side, with people working in different fields and having different experience in negotiations.

## 3.1 The importance of verbal communications to Finns

From the Finnish side, three interviews were taken with people working in different fields. Interviewee 1 is an owner of a recruiting company, who has been working with Estonians for many years and has vast experience. The interview was taken on 14 April 2023 via an online Zoom meeting. Interviewee 2 is a restaurant chain owner who travels to Estonia on business trips. The interview was taken on June 15, 2023, the interviewee answered questions in written form. Interviewee 3 is a hotel manager who has had experience working with Estonian negotiators in the past. The interview was taken on July 28, 2023, the interviewee answered questions in written form.

From the conducted interviews it has been observed that non-verbal signals are present in all countries, and in each country, naturally, non-verbal signs have a specific meaning. It is important to understand non-verbal signs, especially if it is a business because any business is directly related to ongoing negotiations. Interviewee 1 claims that non-verbal cues differ between younger and older generations. Young people are less aware of non-verbal communication and pay less attention to it in life and business. If the company is young, young managers work there, then there are specified non-verbal signs, but if the company is more mature, where older people mostly work, then there is slightly different non-verbal communication.

According to interviewees 1 and 2, non-verbal communication is important, but even more important is what people say, how it is said, and what outcome these conversations lead to. It is impossible to concentrate in negotiations only on non-verbal signs, even if these signs show a lot, but still, what the opponent says is essential. Interviewee 3 finds that Finns tend to have a direct communication style and refrain from harsh language, as Finns value politeness and tact. This is also displayed in non-verbal communication - restrained facial

expressions and gestures. Moreover, interviewee 2 mentions that Finns are sometimes even afraid of using non-verbal signs in cross-cultural negotiations, as Finns believe that it might lead to misunderstandings.

In the specifics of the job of interviewee 1, non-verbal communication takes place because non-verbal signs make it clear that a person is lying or telling the truth. Moreover, non-verbal communication helps to determine where a person exaggerates capabilities, and, on the contrary, underestimates. In negotiations, it is great to understand the person with whom negotiations are leading.

Interviewee 1 is engaged in recruiting; this work is directly related to constant communication with people. Interviewee 1 has been working with Estonians for 6 years already. For this specific work, it is especially important to pay attention to non-verbal signals, because it is these signs that give an understanding of what kind of person is being hired and what this person is capable of.

Working with Estonians, all the interviewees note that there are no major differences in non-verbal communication between Finns and Estonians. Although, interviewee 2 notes that Finns are more direct than Estonians, and in this sense, non-verbal communication for Finns does not matter much. Non-verbal communication is used mainly in situations where people try not to speak. Most Finns are not very talkative, and in quick public conversations, people tend to rely more on non-verbal gestures than actual speech. In Finnish culture, interviewee 2 finds non-verbal communication to be lazy or rude or a means of avoiding conversation rather than something to be used as an addition to speech. While interviewee 3 explains these minor differences by the fact that Finnish and Estonian cultures have different traditions, customs, and norms of behavior, which are reflected in non-verbal communication.

Despite all, Finland and Estonia are geographically very close countries, these countries have a common history and especially the history of common business. Since these two countries have long worked side by side, one might notice that there are no major differences in non-verbal communication. Of course, the mentality and internal conduct of business and negotiation differ. All the interviewees also note that there is no problem with

understanding the non-verbal signs of Estonians since everything is very clear and close to Finns. However, Interviewee 1 mentions that the only thing Finns do not like about negotiating with Estonians is that Estonians don't value privacy as much as Finns. Estonian negotiators can get too close, violating the Finns' personal space. This behavior repels and causes the Finns to take an involuntary step back.

Interviewee 1, based on the experience, advises Estonians to pay less attention to non-verbal cues than to the words and promises that Estonians say. Also, interviewee 1 notes that it is not necessary to take on so much responsibility if there is no strength to do everything properly. After all, words sometimes mean much more, and if the promise is not fulfilled, then the meaning of the negotiations is lost. Interviewee 3, on the other side, recommends Estonians be more open and advises to control emotions during negotiations.

#### 3.2 The importance of non-verbal communication to Estonians

Three interviews were also taken from the Estonian side, with people working in different fields. Interviewee 4 is a sales manager for a commission company who has had experience negotiating with Finns on numerous occasions. The interview was taken on April 12, 2023, through an online Zoom meeting. Interviewee 5 is a ventilation company manager who works with Finnish negotiators on a regular basis. The interview was taken on June 20, 2023, the interviewee answered questions in a written format. Interviewee 6 is a translator working for a Finnish company who is constantly watching how the Finns are negotiating. The interview was taken on July 17, 2023, the interviewee answered questions in written form.

From the conducted interviews it has been observed that the actions of any person are based on everyday lives, cultural customs, mentalities, and lifestyles. Interviewee 4 observe that having a small country and being located in the north, Estonians do not express strong feelings and gestures, as for example do people from the southern countries. Estonians mostly prefer to hide from the public all the strong non-verbal signals such as hugging, kissing, rising the tone of voice, etc.

Overall, negotiations are highly dependent on the level of orientation of the culture and respect between both parties in the business environment. It is essential for both sides to be aware of the traditions to succeed in negotiations. In negotiations, either the opponent has an interest or vice versa, but anyway, both parties have an initial goal. The manner of negotiations, the pace of speech, and gestures must take into account national characteristics, in addition to some traditional "protocols" on which negotiations are conducted.

Interviewees 4 and 6 note that non-verbal communication plays a significant role in everyday life and at work. For cross-cultural negotiations, it is necessary to understand in what business environment negotiation takes place and in what territory. As long as deals are on the side of the person who invited, then it is necessary to ensure maximum comfort of negotiation from the point of view of traditions. For example, the Finns do not need to put on a "grand show", Finnish people like the comfort and calm environment like the Estonians. However, interviewee 5 mentions that in business conference conversations are mostly based on facts and numbers, not on the non-verbal signs.

The conveyance of positive non-verbal signals when talking with an opponent can lead to the desired result and the completion of tasks. From the personal experience of interviewee 4, the interviewee says that speaking with any person without raising a tone of voice can bring more advantages. Raising a tone of voice might frighten the opponent, and the information will not be received properly. Also, keeping a distance from the opponent is essential, since every person, especially a nation, has a personal space that cannot be violated. In addition, eye contact is important, but it is not appropriate to "stare" at the opponent, it is better to look away sometimes. Thus, people show each other that the information is received, everything is clear, and there are not any misunderstandings.

Many examples could be given based on the experience, therefore, interviewee 4 believes that non-verbal communication in negotiations takes place and can affect the outcome of the negotiations. A person can be well prepared and know the subject of the conversation perfectly, but if it is clear that, for example, a person has a headache, or an opponent is not in the mood to negotiate, it is essential not to put pressure on that person, with the given information, otherwise it will not be accepted the way negotiator wanted.

All three interviewees claim that Estonians tend to pay attention to non-verbal cues during negotiations, although Interviewee 6 mentions that pays more attention to non-verbal sings in real life, other than during negotiations. Understanding of the non-verbal signs is a useful tool to see how a business partner reacts to a conversation. It also makes it possible to understand the truth, whether the opponent is talking or lying. Non-verbal signals say what the person will not say out loud, and it is valuable to be able to analyze.

Interviewee 4 notes that have been working with Finnish negotiators for more than a year, but the desired result still is not achieved. A possible reason for this is that, in Estonia, it is more common to meet young people in business, who are preferred because the more youthful generation brings "new life" and new ideas to the company. However, in Finland, it is still accepted that businesspeople are aged and have a lot of experience behind the back. Finnish businessmen know how to negotiate more effectively and pay more attention to non-verbal signs, due to age.

Based on the experiences, interviewees 4 and 6 do not see any strong differences in non-verbal signs between Estonians and Finns, although interviewee 5 points out several insignificant differences. Finns are more reserved in facial expression and do not tend to show a minimum reaction on the face. Estonians are not showing much feeling, but at least it is possible to understand responses. Moreover, interviewee 5 mentions that Estonians might react faster than Finns, nevertheless, these facts do not cause any misunderstandings between the two nations.

The main similarities are that both Estonians and Finns are quiet and calm people, but at the same time, Estonians can sometimes be a little louder, showing a little emotion. Neither Estonians nor Finns have expressive gestures. The only minor difference is how Finns and Estonians place hands during negotiations. Finns usually hold something in hands, for example, a pen, if the negotiators do not know where to put own hands, but the Estonians hold hands in front, taking hands together. Estonians, like Finns, avoid small talk and talk about personal life in business as it is considered unacceptable and a waste of time.

Interviewees note that, in general, by noting that distracting manners such as finger-pointing, fidgeting, tapping, playing with hair, crossing hands, and twisting rings should be avoided when talking to the partner. A confident handshake and strong eye contact should be with the person being negotiated.

### 4 Results

Non-verbal communication is present in all countries, and everywhere it is different in its way. Considering business, then any business is directly related to constant communication with other people and non-verbal communication takes place. Non-verbal communication is a tool that can be used to analyze an opponent. Business negotiations depend highly on whether both parties are focused, culturally aware, and respect each other. It is essential that both sides know the traditions to succeed in negotiations. In negotiations, either the opponent has an interest, or vice versa, but in any case, both sides have the original goal. As part of the negotiation process, speech pace, gestures, and other methods should consider national characteristics, as well as some traditional negotiating protocols.

Having conducted interviews from the Finnish side and the Estonian side, it can be said that the non-verbal communication between Estonians and Finns does not have strong differences. Differences are present in the mentality, the way business is conducted, and the negotiations themselves.

Estonia and Finland are territorially close to each other countries, these two countries have a common history, as well as a common history of doing business. That is why Estonia and Finland do not have significant differences in non-verbal communication. Due to all the facts given earlier, there are no problems between Estonians and Finns in understanding and analyzing the non-verbal communication of both parties.

The interviews confirmed that Estonians and Finns are very reserved and calm people both in life and business environment. These are two server peoples, so it is better not to expect strong emotional signals, as, for example, from Southern Europeans. Usually, facial expressions are restrained in public because it is socially unacceptable to show strong emotions. Small talks and conversations and personal life, both among Estonians and Finns,

are unacceptable when doing business, because it is personal, and these two nationalities prefer to get straight to the point and not waste time. Active gestures are also absent, and if there is nowhere to put hands during negotiations, then mostly preferable to hold something in hands or simply keep hands in front.

Based on all the interviews that have been presented above, all of the parties have both similarities in opinions and minor differences. However, it is important to understand that each of the interviewees works in different areas and has different experience in negotiating. Moreover, the age of all interviewees varied significantly, which could have influenced the responses.

It is important to note that in the interviews was noted that in Estonia there are more young people in business who have own concept of non-verbal communication. In Finland, on the contrary, business is dominated by an older generation who already have extensive experience, and the concept of non-verbal communication differs. The older generation pays attention to non-verbal signs much more often and knows how to recognize certain signals.

Both Finns and Estonians pay enough attention to non-verbal communication, but sometimes non-verbal signs fade into the background. What a person says and how is sometimes much more important than any non-verbal signs. After all, if the opponents do not keep the promised word, then the whole point of the negotiations is lost.

## 5 Recommendations

As a result of the analysis of qualitative data gathered during the sections of this thesis dealing with the theoretical framework and research methodology, the following recommendation is provided for Sudex OÜ: 1) Focus not only on non-verbal signs but also study Finns in-depth, paying special attention to culture, mentality, and how business is built from the inside in Finland. Indeed, in each country, business construction is different, and this undoubtedly affects the conduction of negotiations between two varied countries.2) Take into account the age of the negotiator and from this determine the manner of negotiating.

Three interviews were done from the Estonian and Finnish sides, so this study can be considered biased as the interviewees' opinions are subjective. In addition to all of the above, it is important to understand that each interviewee works in different areas, with different age segments and has different experience. Some of the interviewees had a more successful experience, and some less. Further research on this topic will be advantageous from the research done by the author from the business journals and articles reviewed.

#### 6 Conclusion

A person may communicate information in a variety of ways, not just through language.

Non-verbal communication is as important as verbal communication, and most people use non-verbal communication or "body language" without knowing it. Non-verbal communication includes facial expressions, gestures, posture, eye contact, hearing, and how a person looks. Non-verbal communication is an important aspect of communication between people for conveying feelings and values.

Non-verbal communication is especially important in a business environment because it is through the analysis of non-verbal gestures that a person understands with whom negotiations are being conducted. Negotiation itself is a form of social interaction where both parties interact with each other. However, non-verbal communication can also become a barrier because each country has its characteristics in non-verbal communication, which sometimes confuse negotiators. Using non-verbal communication in a business can expand the possibility of interaction with an opponent. However, it is good not to forget that the business environment also reflects the cultural environment of the negotiator, and it is important to know the mentality and traditions because the outcome of the negotiations depends on this.

Analyzing the qualitative data and conducting interviews on both sides - Finland and Estonia, it became clear that there are no big differences in non-verbal communication, but naturally, there are differences in mentality and how business is conducted, as well as negotiations. Both nations are quite reserved and do not show emotions in public. Emotions can be shown in a very close circle of people, where it is permissible. The facial expression is also restrained and does not show such excessive emotions. Eye contact is important to both

parties and shows attention and interest in the negotiations. Both Finns and Estonians value personal space and do not tolerate someone who violates this space. The same applies to touching, it is not customary to touch each other during negotiations, and even shaking hands is not always present. One of the most common types of greetings is introducing each other and nodding head to say "Hello". Both nations do not tolerate small talks and conversations about personal life, most preferable to immediately moving on to the goal of negotiations. And silence should not be perceived as irritating by others, because Estonians and Finns are silent to think it over and make a verdict. If these two nations have made a decision, it will be very difficult to convince businessmen, because often these people are based on facts. Also, both Finns and Estonians respect interlocutors very much and are excellent listeners, these people are always very attentive to opponents.

Considering the previously mentioned results, the author formulated the answer to the original research question: "What role does non-verbal communication play in a business negotiation between Finland and Estonia?" As mentioned earlier, the non-verbal communication between Finns and Estonians has minor differences, and neither side has problems understanding the other's non-verbal signs. Non-verbal communication takes place in negotiations because this is what makes it possible to analyze a person since a person gives non-verbal signs involuntarily, and this is exactly what makes it clear with which person negotiations are being conducted. However, it is important to note that in business nowadays, it is more common to meet young entrepreneurs, who are paying less attention to the analysis of non-verbal signs, and mostly prefer to hear what the opponent says since sometimes facts and numbers say more.

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## **Appendix 1: Questions for Finnish negotiators**

- 1) What is non-verbal communication in Finnish culture?
- 2) What is the role of non-verbal communication in business relationships, and how important it is?
- 3) How often do you pay attention to non-verbal signals during negotiations?
- 4) For how long are you working with the Estonian negotiators?
- 5) What are similarities and differences there are in body language of Finns and Estonians?
- 6) How do you handle difficult situations caused by incorrect body language when negotiating with Estonians? Do you have an example?
- 7) Do you find any Estonian non-verbal communication offensive or irritating? Why?
- 8) Do you have anything to add? Do you have any recommendations for Estonian negotiators?

# **Appendix 2: Questions for Estonian negotiators**

- 1) What is the non-verbal communication in Estonian culture?
- 2) What is the role of non-verbal communication in business relationships, and how important it is?
- 3) How often do you pay attention to non-verbal signals during negotiations?
- 4) For how long are you working with Finnish negotiators?
- 5) What similarities and differences there are in body language of Finns and Estonians?
- 6) How do you handle difficult situations caused by incorrect body language when negotiating with Finns? Do you have an example?
- 7) Do you find any Finnish non-verbal communication offensive or irritating?
- 8) Do you have anything to add? Do you have any recommendations for Finnish negotiators?