



John Lewis Partnership vs China

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Component 1: Individual Presentation

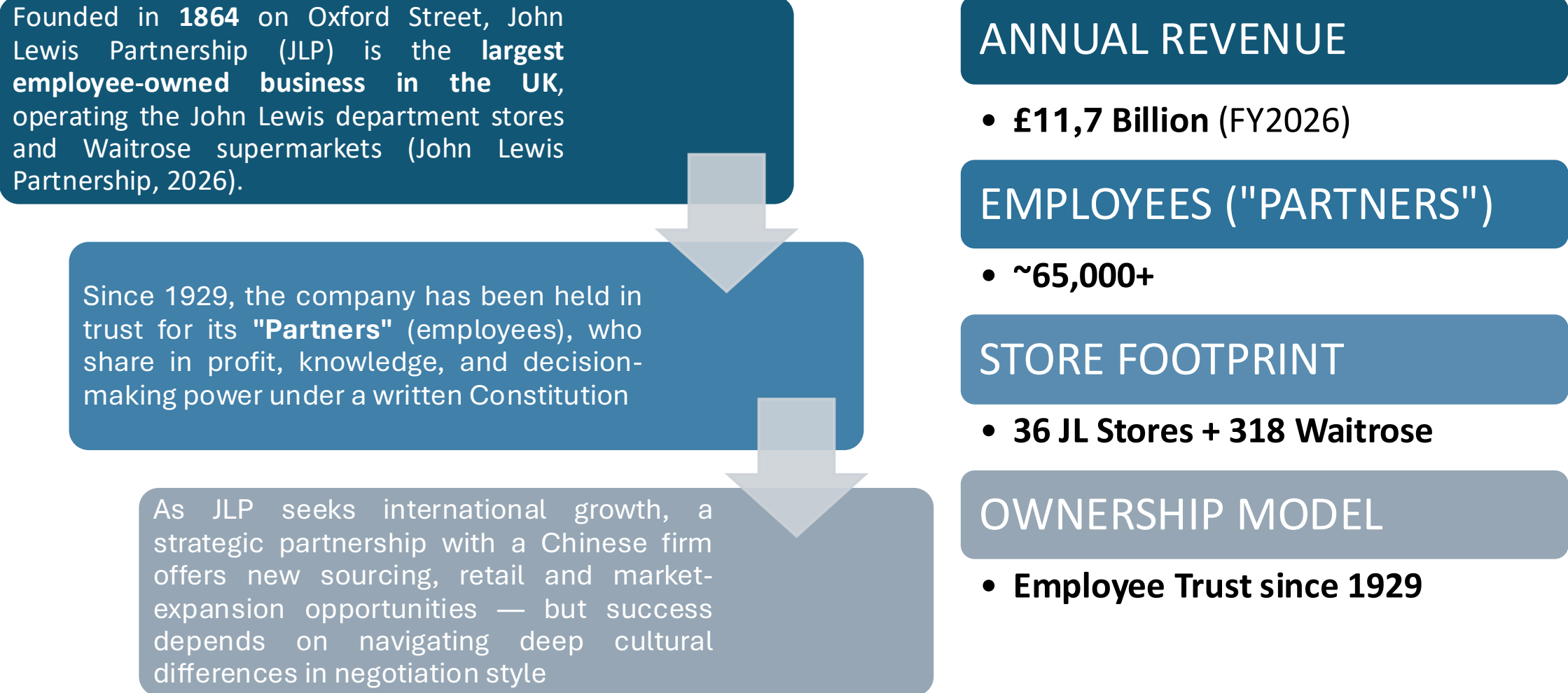
Summary

- Introduction
- What is Culture?
- Hofstede's Cultural Dimensions: China vs UK
- The Chinese Negotiation Style: Challenges
- Strategies for a Successful Deal
- Cultural Intelligence: The Decisive Advantage
- Conclusion & Recommendations
- Questions



John Lewis Partnership - Introduction

Founded in **1864** on Oxford Street, John Lewis Partnership (JLP) is the **largest employee-owned business in the UK**, operating the John Lewis department stores and Waitrose supermarkets (John Lewis Partnership, 2026).



Since 1929, the company has been held in trust for its **"Partners"** (employees), who share in profit, knowledge, and decision-making power under a written Constitution

As JLP seeks international growth, a strategic partnership with a Chinese firm offers new sourcing, retail and market-expansion opportunities — but success depends on navigating deep cultural differences in negotiation style

ANNUAL REVENUE

- **£11,7 Billion** (FY2026)

EMPLOYEES ("PARTNERS")

- **~65,000+**

STORE FOOTPRINT

- **36 JL Stores + 318 Waitrose**

OWNERSHIP MODEL

- **Employee Trust since 1929**

What is Culture?

According to Hofstede (1991), culture can be understood as the shared ways of thinking within a group that set its members apart from others and influence how they interpret and make sense of the world.

In a similar way, culture may also be described as the manner in which groups address and resolve problems, as it expresses their core values and the meanings they collectively hold

(Trompenaars and Hampden-Turner, 2020).

Culture influences how people communicate, negotiate, and make decisions, as it affects both visible behaviours such as the use of language and also the deeper and less obvious aspects like values and beliefs that shape how individuals understand situations and interact with others.

Key Elements of Culture



Language & Communication style (verbal/non-verbal)



Values, beliefs & ethical norms



Social organisation & hierarchy



Attitude to time, punctuality & planning



Business etiquette, rituals & customs

Hofstede's Cultural Dimensions: China vs UK

According to Hofstede's model, national cultures can be compared through a measurable six-dimension framework, and China's profile differs strongly from UK business norms, which has important implications for how negotiations, hierarchy, and decision-making are managed (Matsumoto and Juang, 2016).

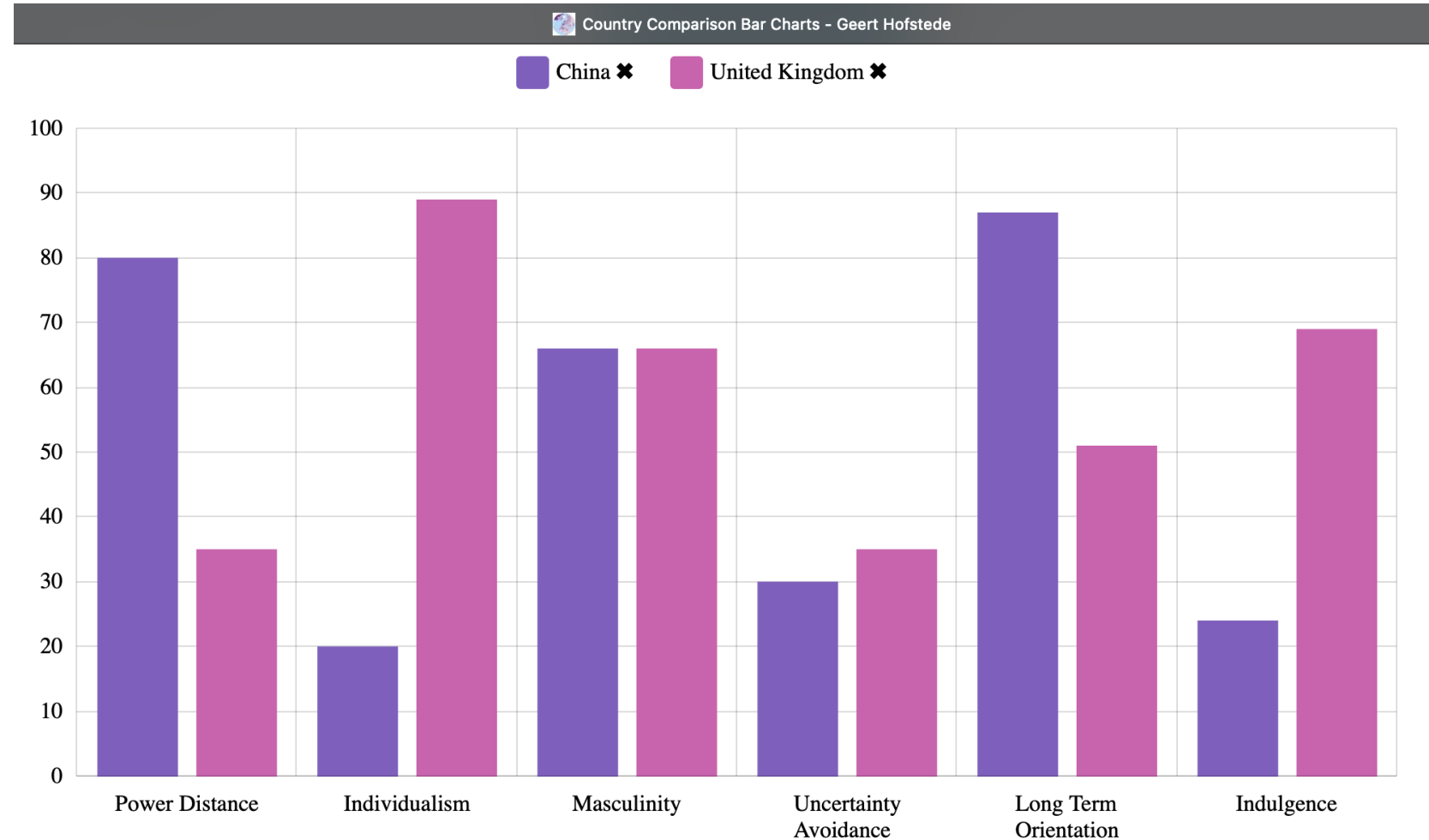


Figure 1. Screenshot of country comparison bar charts from Geert Hofstede (2025)

The Chinese Negotiation Style: Challenges

Silence as Strategy

Long silences may serve as constructive ambiguity, where information is gathered rather than agreement being shown, while negotiators from the United Kingdom may feel uneasy with silence and fill it in ways that reveal their position.

Holistic vs. Linear

In Chinese negotiation, issues are discussed together and nothing is final until all aspects are agreed, whereas the United Kingdom follows a linear approach that addresses each point separately, which can lead to differences in style.

Implicit Communication

Expressions such as “that may be difficult” often signal refusal rather than agreement, so negotiators from the United Kingdom need to read the implied meaning carefully.

Re-opening Agreements

Revisiting previously agreed terms is considered normal and reflects holistic thinking, so JL should remain flexible after agreement.

Bureaucrat/Strategist Duality

When trust is low, negotiators adopt a more strategic and calculated approach, but early trust building can change this dynamic.

Language Barriers

Beyond translation, legal and cultural nuances may be lost, so contracts should state which language prevails.

Strategies for a Successful Deal (1 of 2)



Build Guanxi Before Business

It is important to build relationships before negotiations through social and informal interactions, as business in China relies on establishing personal connections first.



Match Seniority — Deploy a Senior JL Team

It is important to send a delegation with equal or higher seniority, as China's high Power Distance score of 80 reflects strong respect for hierarchy, and junior representatives may be seen as disrespectful.



Appoint a Zhongjian Ren (Intermediary)

It is advisable to involve a trusted Chinese intermediary with established Guanxi, as they can bridge communication gaps and address sensitive issues while preserving face for both parties.



Cultivate Patience — Embrace the Long Game

Chinese negotiations often take time, and with a Long Term Orientation score of 87, partners expect sustained commitment, so timelines should allow extended discussions without signalling urgency.

Strategies for a Successful Deal (2 of 2)



Protect Face at Every Stage

Disagreements should be handled privately, with concerns framed as seeking understanding, and concessions offered in ways that allow the Chinese side to maintain a sense of achievement.



Adapt Communication Style

It is important to adopt active listening and more indirect communication, use open ended questions, and engage bilingual legal translators to ensure accuracy and cultural nuance.



Emphasise Mutual Long-Term Benefit (Win-Win)

Chinese negotiators require a clear mutual benefit before committing, so the JL China partnership should be framed around shared values and long term goals.



Localise Strategy with In-Country Expertise

It is important to engage Chinese consultants and legal advisors to navigate regulations, understand cultural nuances, and identify the key decision maker before negotiations begin.

Cultural Intelligence: The Decisive Advantage

- According to Earley and Ang (2003), Cultural Intelligence (CQ) refers to the ability to function effectively in culturally diverse settings. It is not limited to knowledge of specific customs, but instead involves the capacity to adapt, observe, and learn across different cultural contexts.



Cognitive CQ

Understanding cultural norms, practices, and conventions through research and preparation



Motivational CQ

Genuine desire to engage with and respect a different cultural system



Metacognitive CQ

Active awareness and strategy — questioning assumptions and adjusting in real time



Behavioural CQ

Adapting verbal/non-verbal behaviour to match the cultural expectations of the partner

Conclusion and Recommendations

- ✓ Culture shapes negotiation, so John Lewis should prepare with CQ training, an intermediary, and Guanxi research.
- ✓ Guanxi and Mianzi are central, so match seniority, use face-saving language, and avoid direct confrontation.
- ✓ CQ is essential, so embed it at Director level and across leadership.
- ✓ Patience and indirect communication are critical, so avoid rushing and respect hierarchy.
- ✓ Relationships continue post-deal, so invest long term, stay present, and expect renegotiation.





Questions



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