Learning Objectives

Upon completion of this unit, students should be able to:

1. Identify the variables in the communication process that create miscommunication.
2. Discuss how culture influences decision making.
3. Explain how cultural-based behavior creates differences in negotiation styles.
4. Summarize the five stages in the negotiation process.
5. Discuss how to use technology to enhance negotiation.

Written Lecture

We have all heard of a *win-win deal* where both parties strive for a mutually beneficial solution. You probably have heard of a *win-lose deal* where the only way you see yourself winning is when you cause the other party to lose. Then, there is the rare deal where one party would rather blow themselves up than let the other party win, which is known as the infamous *lose-lose* deal.

Let us first address a few things covered in the text concerning negotiations.

The five stages in the negotiation process are: 1) preparation, 2) relationship building, 3) exchanging task-related information, 4) persuasion, and 5) concessions and agreement. The order of the negotiation process depends on cultural norms.

Your textbook asserts, "Skillful negotiators make fewer irritating comments" (Deresky, 2011, p. 163). For example, "What do I have to do to put you in this car today?" This comment alone is why some people never enter a car lot. There are some people who prefer negotiating via e-negotiations.

As a negotiator, is it okay to be a skeptic? According to *The World Book Dictionary* (1983), a skeptic is "a person who questions the truth of theories or apparent facts." Does the other side always have, as their motive, to get as much from someone as possible?

*The World Book Dictionary* (1983) defines altruism as "unselfish devotion to the interest and welfare of others."

There are ultimately three types of negotiators. First, the one who states his/her goal is to get as much from you as possible, and proceeds to do so (i.e., win-lose).

The second is the one who states their goal is to see that you receive a fair deal, and that it is a win-win situation for both parties.

The third one really believes they can treat you fairly, but would rather lose than let you win (i.e., lose-lose). *The World Book Dictionary* (1983) defines flattery as "words of praise usually untrue or exaggerated." The technique of putting a
negotiator at ease with words will likely come back in the form of a modified contract that is not in one's best interest. The phrase "my word is my bond" translates to "prepare for a beating" at the close.

Full disclosure and transparency are words we understand and expect in negotiation, but perhaps the other party knows the value of a red herring. According to The World Book Dictionary (1983), a red herring is "something used to draw attention away from the real issue."

Trial attorneys and the Harlem Globetrotters are experts in the use of red herrings, keeping the focus away from the ball (i.e., what you want, or need in the deal).

From your textbook, "In some South American countries, for example, it is common to start negotiations with misleading or false information" (Deresky, 2011, p. 156).

According to your textbook, "Many Arab negotiators, following Islamic traditions, use mediators to settle disputes" (Deresky, 2011, p. 161). Now, this is something that surely has merit. Should not every contract, especially international contracts, have a binding arbitration clause requiring the use of an arbitrator/mediator? Having your day in court will take years, if not decades, and by then there is no deal left, just damages owed. The crux of a successful negotiation must be to resolve any and all conflicts up-front, but if all else fails, have an arbitration clause.

What is a common cause of failure in negotiation? Not being a good listener. "Seek first to understand, then to be understood" (Covey, 1989) is the fifth habit of Dr. Steven Covey's book, The Seven Habits of Highly Successful People.

Here is what Dr. Covey (1989) says about listening, "Seek first to understand. Before the problems come up, before you try to evaluate and prescribe, before you try to present your own ideas—seek to understand. It is a powerful habit of effective interdependence. When we really, deeply understand each other, we open the door to creative solutions and third alternatives. Our differences are no longer stumbling blocks to communications and progress. Instead, they become the stepping stones to synergy" (p. 235).

Your textbook states, "Perhaps the most important means for avoiding miscommunication is to practice careful decoding by improving one's listening and observation skills" (Deresky, 2011, p. 144). International negotiations are going to require an extra effort of listening and decoding the message. With these skills of listening and observation, cultural differences should not be a stumbling block to the successful conclusion of a deal.

Many people hear but they do not listen. People are often so busy formulating their response that they fail to comprehend what the other party is saying. The most effective negotiators are teams comprised of two individuals. One person presents and the other person listens and responds to the opposition's issues. Plus, active listening creates an atmosphere of respect and demonstrates that you care, and that you seek a positive resolution to the negotiation.

Fight for what is important and concede on the insignificant points. Let the other party feel they have gained something valuable in the negotiations. Give up the trivial and be willing to compromise on those items that are not high priority.
Finally, never compromise your ethics. It is better to quit and go home than to commit an unethical act. Some call this the "smell test" of a negotiation. If it is unethical, it is better to go home empty handed and wake up the next morning feeling righteous.

References

