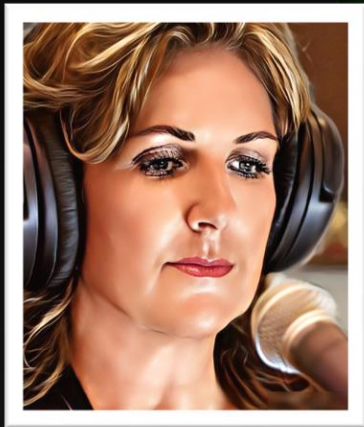




Negotiating Across Borders & Cultures



Dr Deborah Swallow

LEADING AUTHORITY ON
INTERCULTURAL COMMUNICATION

ICC October 2022

Learning outcomes

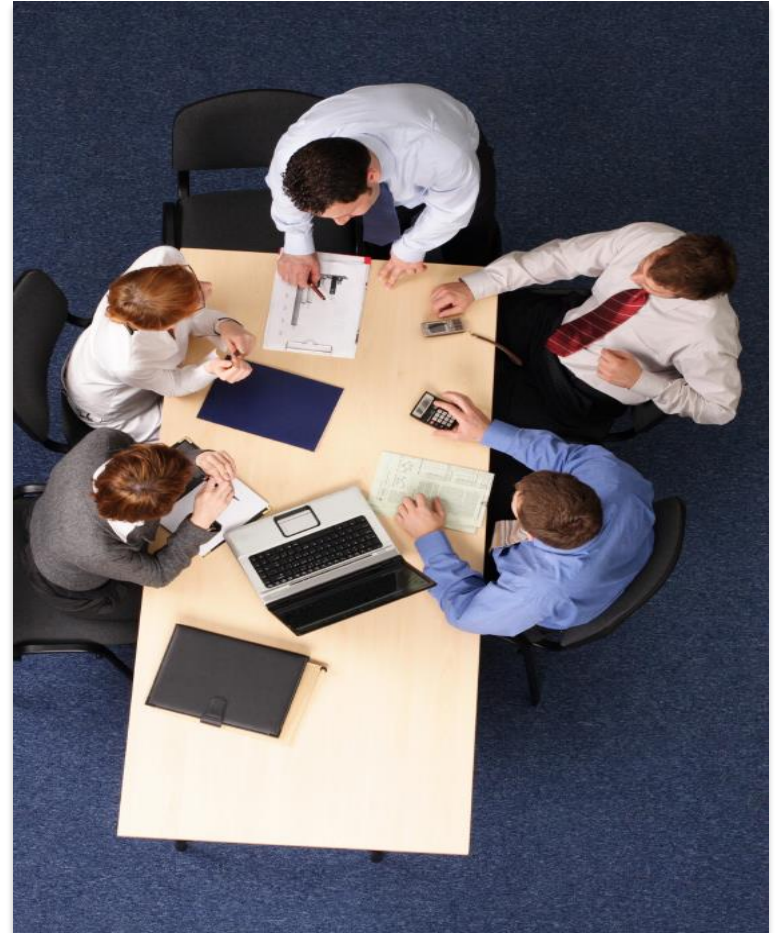


- Define what is meant by negotiation and apply that to a number of different contexts – including cross-culturally
- Identify factors that can determine the outcome of a negotiation
- Understand the principle of ‘win-win’ negotiations

Agenda



- The Nature of Negotiation
- Types of Negotiation Outcomes
- Cultural Characteristics
- The Negotiation Process
- BATNA
- About You
- Factors of Success



The Nature of Negotiation



What is negotiation?



"Negotiation is about getting the best possible deal in the best possible way."

Negotiation takes place when two or more people, with differing views, come together to attempt to reach agreement on an issue. It is *persuasive communication* or bargaining.

Negotiation definitions



Here are three I like –

1. Negotiation is any discussion to get a mutual agreement between two or more people.
2. Negotiation is about reaching agreement with other parties so that you can achieve your goals.
3. Negotiation involves an element of trade or bargaining - an exchange of a valuable resource for another, to enable both parties to achieve a satisfactory outcome.

“To jaw jaw is always better than to war war.”



Winston Churchill in a speech to journalists in Washington 1954

(Cited by New York Times)





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something
completely
practical!



NEGOTIATION



NEGOTIATION

EGO is the enemy



Remember...

*"You don't get what
you deserve,
you get what you negotiate"*

Negotiation is a skill acquired through practice **AND**
by learning techniques



**You cannot expect
to be successful in
business unless
you are a
good negotiator**

diplomacy

Dr Carol Dweck - Mindset



**Most people know
what to do, then
don't do what they
know**



**“It’s what you learn
when you know it all
that really counts”!**

Types of Negotiation Outcomes



Activity: Reaching a negotiated settlement

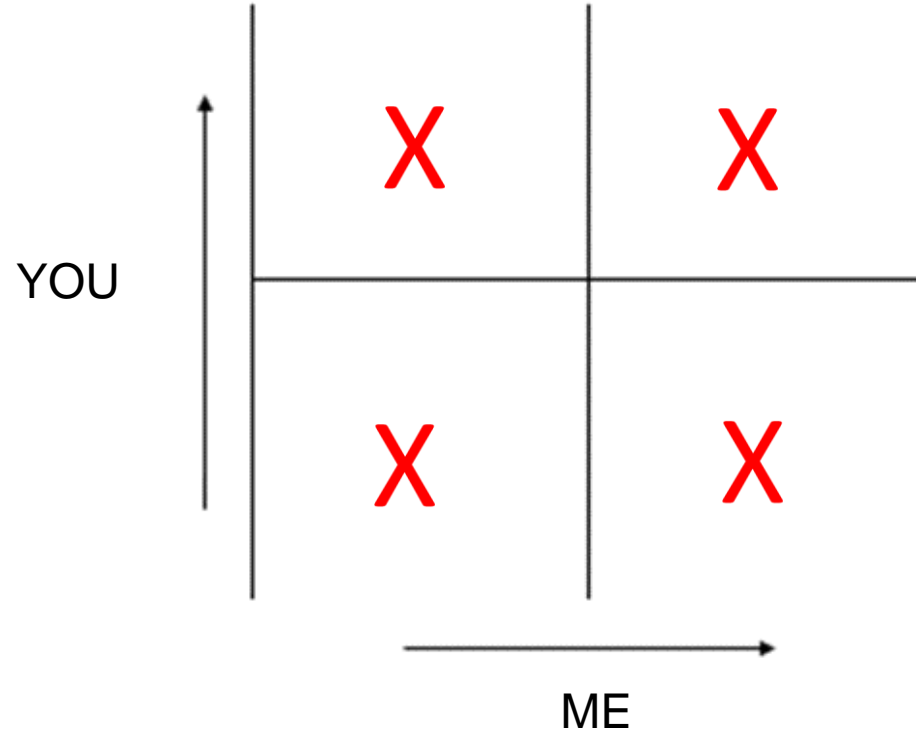


Rule: You may NOT divide this 50%-50%



Four outcomes to a negotiation or influencing

- LOSE/LOSE
- WIN/LOSE
- LOSE/WIN
- WIN/WIN



Activity: Reaching a negotiated settlement

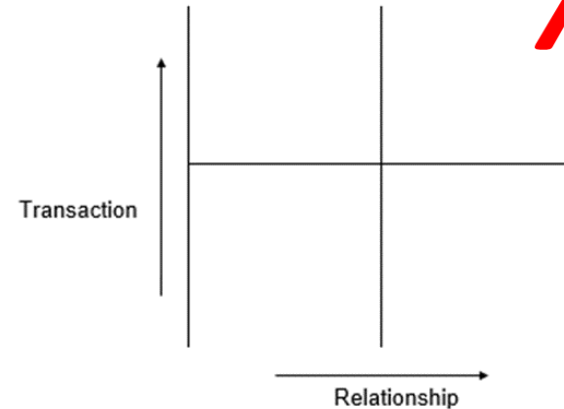


Rule: You may NOT divide this 50%-50%

The FIFTH OUTCOME

- **Win, Win, Win**

- A win for you
- A win for me
- A win for our ongoing business or personal relationship



Successful negotiation is not confrontational:

Negotiate for WIN/WIN/WIN



Activity: Reaching a negotiated settlement



Rule: You may NOT divide this 50%-50%



Approach to the Subject

Most people think bargaining and negotiation mean the same thing; however, let's be distinctive about the way we use these two words:

- *Bargaining:*
describes the competitive, win-lose situation
- *Negotiation:*
refers to win-win situations such as those that occur when parties try to find a mutually acceptable solution to a complex conflict

Better: Find out what the other party NEEDS and find ways to give it to them



BATNA





BATNA

Know your objectives:

- Best agreed outcome
- Know your BATNA
- Know your walk away position



POSITIONS

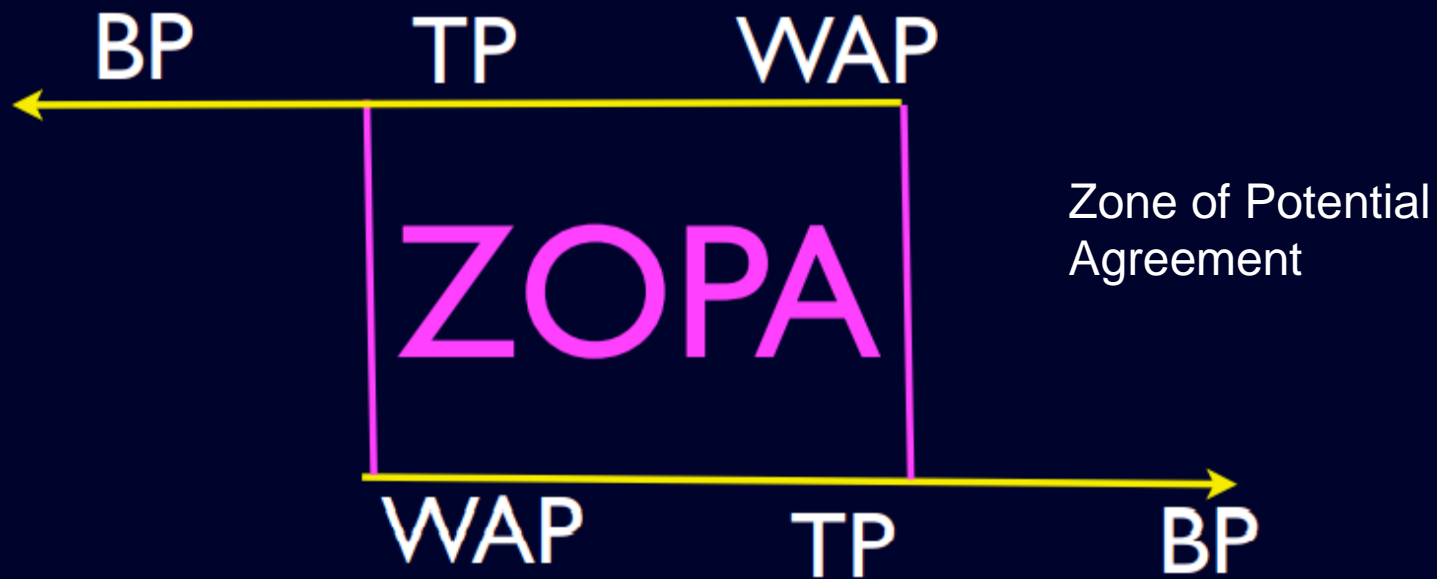


BP - Best Position

TP - Target Position

WAP - Walk away position

AP - Alternative position





Planning to negotiate

- Establish your objectives
- Establish other party's objectives
- Frame negotiation as a joint search for a solution
- Identify areas of agreement
- Trouble shoot disagreements: bargain & seek alternative solutions, introduce trade offs
- Agreement and close: summarise and ensure acceptance



Video: Is this negotiating or haggling?



<https://youtu.be/898OUCyBuIM>

An amusing haggle. Who wins and why? How might either party have done better?

The Negotiation Process



The 5 Steps of the Negotiation Process





Overview:

what do you do when you PREPARE?

- Know what you want to achieve.
- Predict what the other side wants to achieve.
- Study the other side's negotiation culture.
- Know your 'walk-away' point – (BATNA)
- Present your case.
- The other side presents theirs.

5 Key Questions



- Why am I here?
- Why should they talk to me?
- What can I offer that they need?
- What outcome do I want?
- What's my fall-back position?

Essential Research



- History of relationship
- What caused the impasse?
- Nature of opposing negotiator
- How badly do they need a settlement?
- What are their real needs?
- Do they need to save face?

Checklist



- Prepare all points to cover
- Collate supporting material
- Devise sequence for incremental gain
- Get agreement on agenda
- Consolidate each agreed point



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What's being traded?

What's Being Traded?



https://youtu.be/OeqDdNdc__g

Look out for making assumptions, talking too much, and getting into an 'unbalanced' situation



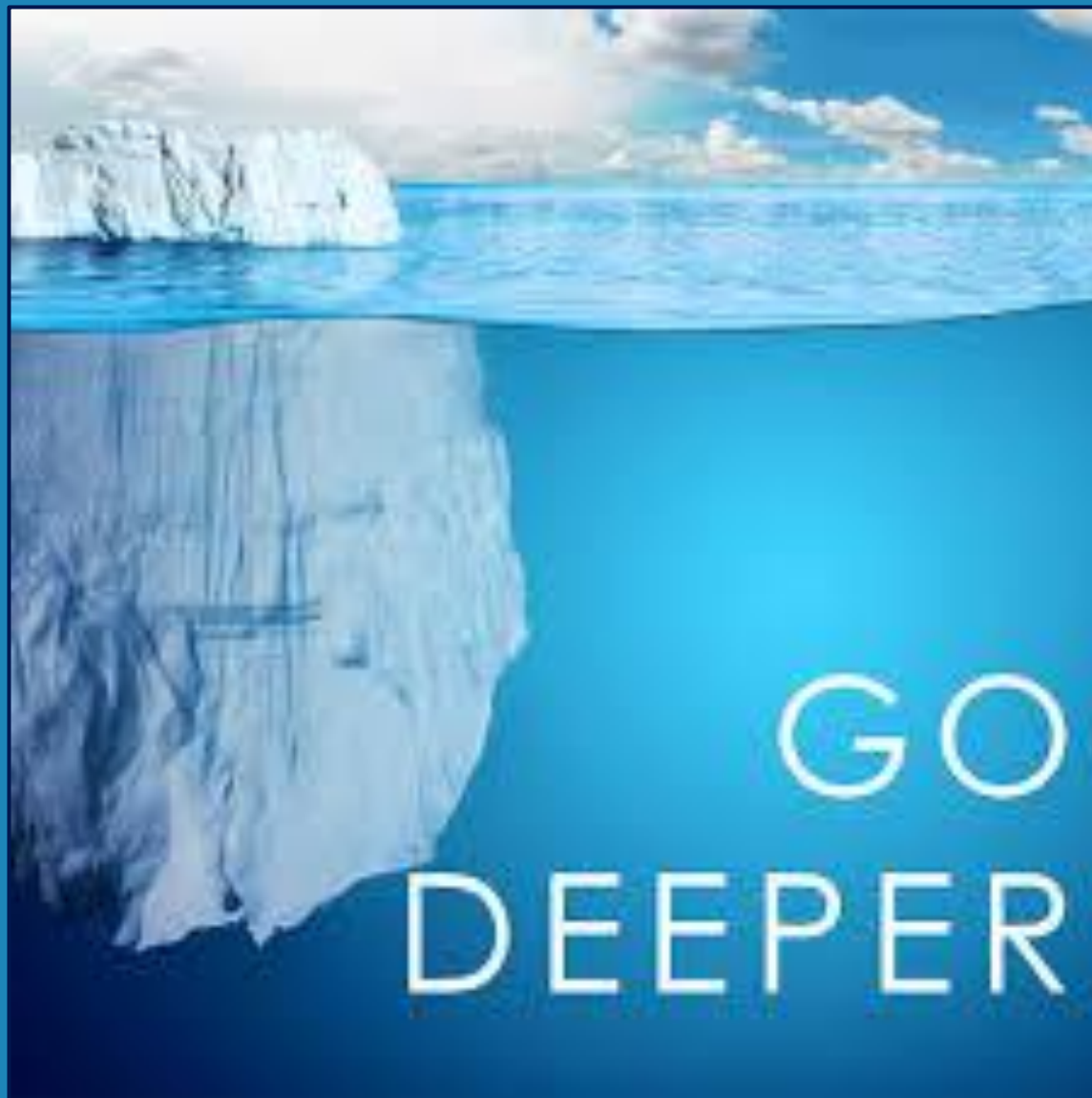
Security / resources

Control

Reputation

Time / Risk

Recognition / pride



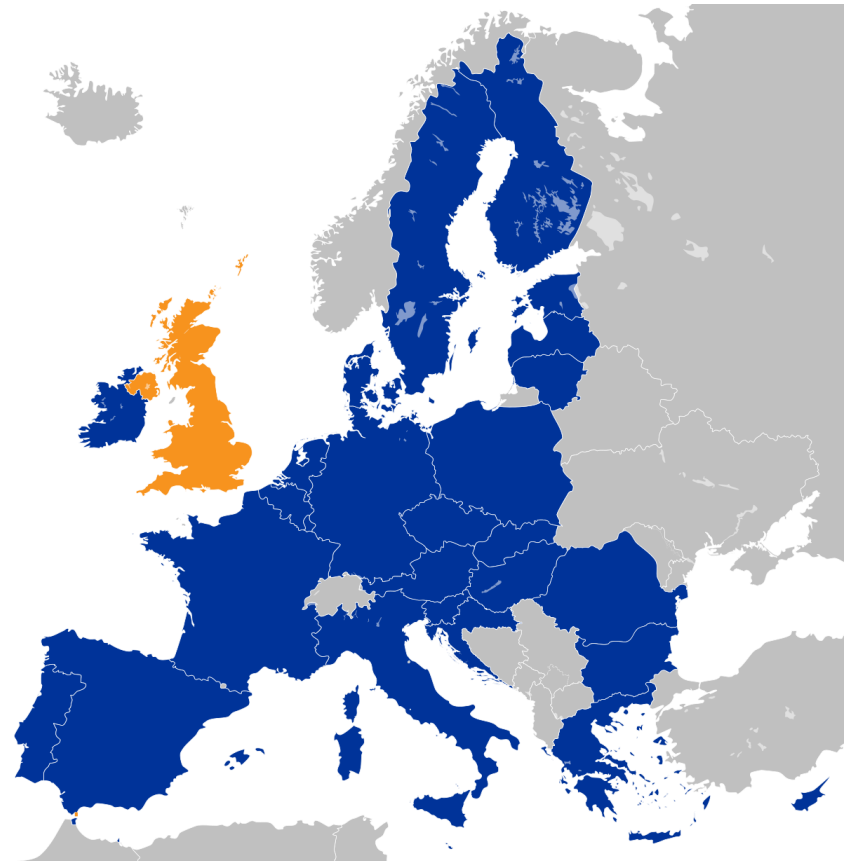


Layers

Brexit layers



- UK v EU
- London v Paris / Berlin v Brussels
- Member states v Commission
- UK v Ireland v N Ireland
- Fish v finance
- Optimism v pessimism



Ukraine v Russia



- Russia V Ukraine
- Russians v Russians
- Russia v US v EU v NATO
- East v West v South
- Power v Rules
- Security v Identity v Pride



Soviet Negotiating



We're tougher than you can imagine

- We take more pain than you can inflict, however, you hurt us & we hurt you more

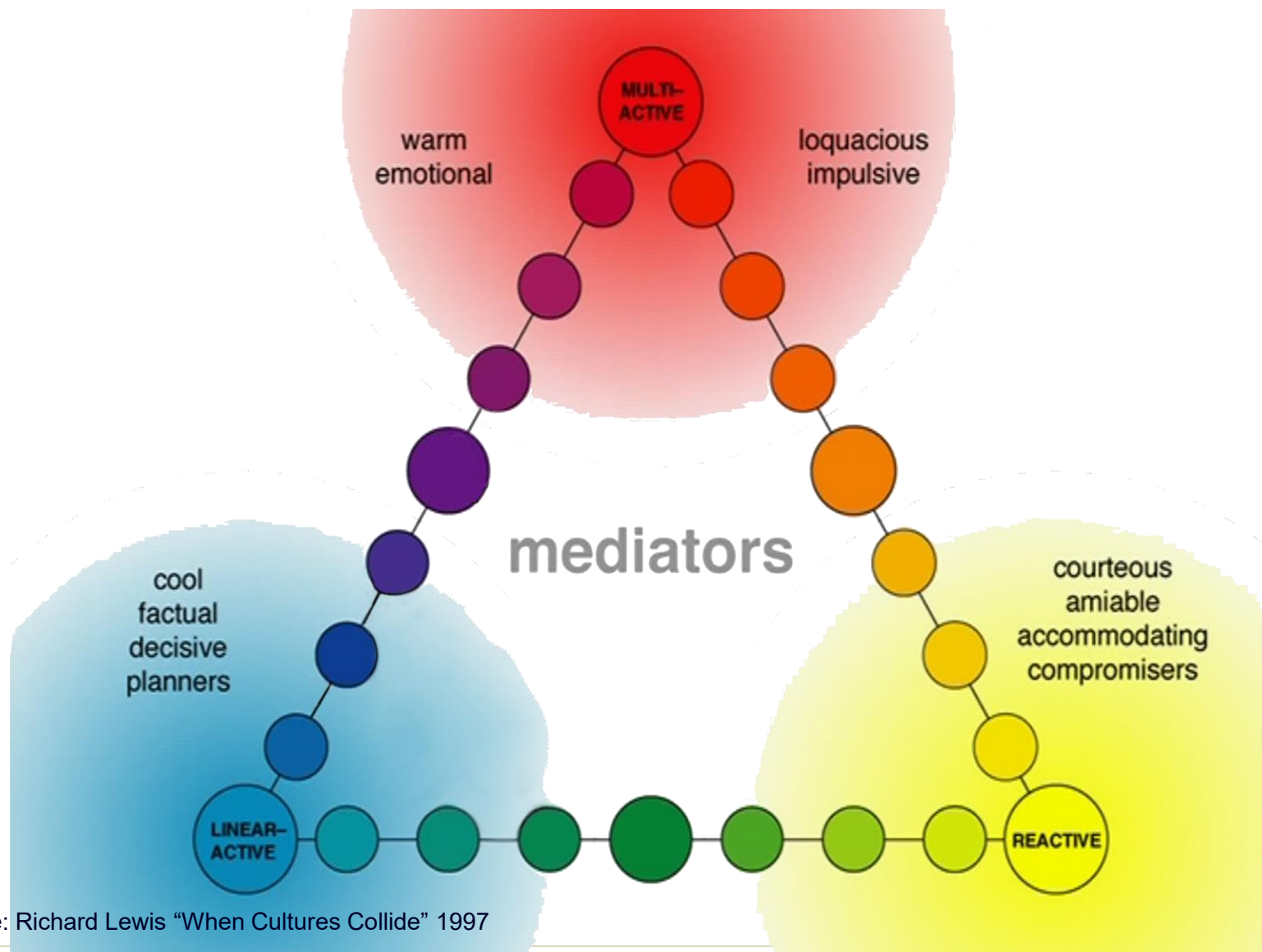
Explicit psychological pressure

Cultural Characteristics





Richard Lewis : LMR Model

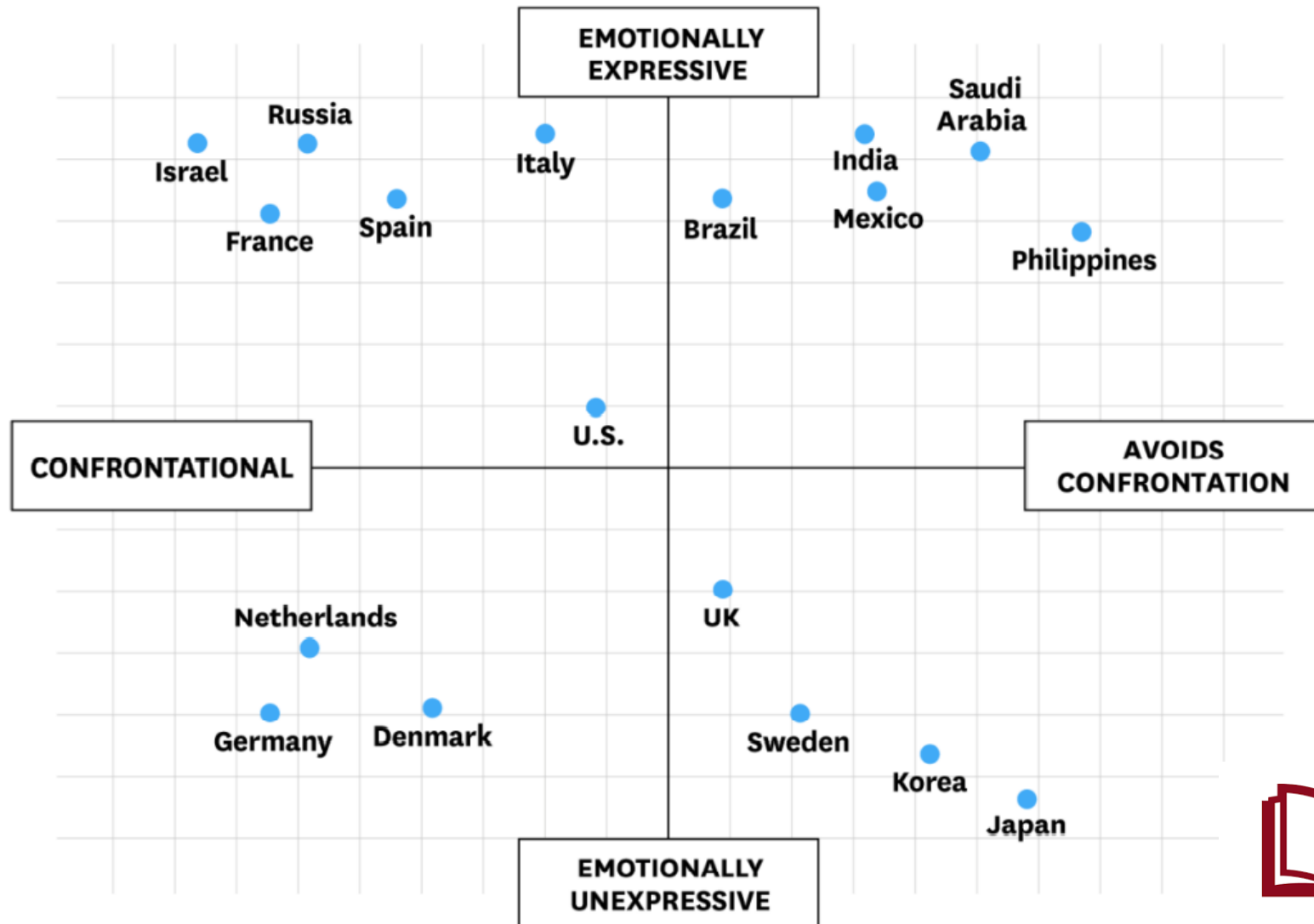


Source: Richard Lewis "When Cultures Collide" 1997



Preparing to Face Your Counterpart

The map below sorts nationalities according to how confrontational and emotionally expressive they are. Although negotiators often believe that the two characteristics go hand in hand, that's not always the case.





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Active Listening – Key Psychology Skill



‘One should not hurry to reply, one should hurry to listen.’

(Russian proverb)

- Be silent. Don't interrupt.
- Listen for words and feelings (active listening).
- Interpret body language.
- Assess but don't judge.
- Remember silence can be a tactic to force concessions.

‘Those who know do not speak. Those who speak do not know.’

(Chinese proverb)

How to Play the Game





Basic Principles

Strategy follows the structure

- Structure shapes way in which negotiations are going to be conducted
- Careful analysis is needed on:
 - Issues at stake
 - How are the rules established, and who establishes them?
 - Is there some margin of manoeuvre to play within the rules?
 - Pre-existing attitudes
 - Assessment of partners' respective power



Basic Principles

- **Good strategies shape the structure**

*you can shape the game
as well as play it*

Rules are influenced by actions of the participants on:

- Setting the agenda
- The way you present your views
- Creating coalitions
- Leveraging linkages by linking or de-linking issues (layers) to create momentum

Sequence of moves « at the table » and « away from the table »

The Rules Of The Game



What are the rules of the game and how can you shape them?

Winner of negotiation is the one who can best shape negotiations:
common mistake is to take the structure of negotiation as a given

“Think strategically but act opportunistically”

expect to be surprised and to have to modify your initial approach



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How do you rate yourself as a negotiator?

- Beginner
- Intermediate
- Good
- or.....



Rate your Skills on a scale of
0-----100

What stops many people negotiating?

Don't like conflict?
Afraid to ask?
Lack of confidence?



Self Assessment Scorecard:

1 = low and 5 = high



Preparation and planning	
1st impressions	
Questioning	
Listening	
Use your head	
Body language	
Watch out for lying	
Strategies and tactics	
Influencing	
Bargaining	
Managing conflict	
Confidence	

FINALLY: Factors of Success



Factors for Success



- **Legitimacy** of your case
- **Confidence** in presenting it
- **Courtesy** to the other party
- **Adaptation** to the other party's style
- **Rapport** building
- **Incentives and trade offs**
- **Research** the bigger picture



Negotiators: Key skills 1

- Good listening skills (patient)
- Open-minded (tolerant, non-judgemental)
- Sensitive to cultural differences
- People oriented
- Willingness to use team assistance (consensus, synergy)
- Self-confidence (professional competence, integrity)



Negotiation: Key skills 2

- Build personal relationships before negotiation.
- Appreciate importance of building mutual trust.
- Study culture and history of the other side.
- Note and build on shared experiences.



Negotiation: Key skills 3

- Appreciate the other party will interpret what you say in the light of their culture and language.
- Be alert to body language and silence.
- Show patience and tolerance at all times.
- Respect status and seniority, avoid loss of face.
- Be prepared for negotiations to continue post agreement.





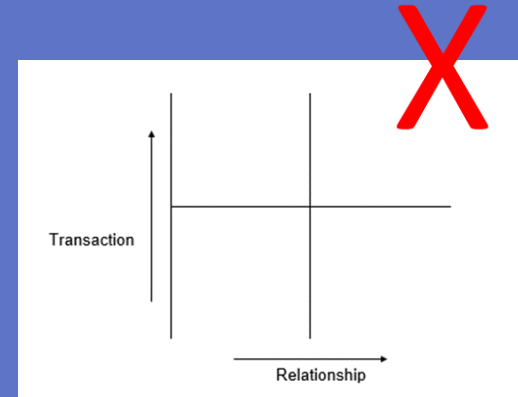
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Finally ...



Focus on the
outcome, not
the process.

Avoid emotional reactions to tactics:
- do or say what will get the result



Remember:
Successful negotiation is not
confrontational

Negotiate for WIN/WIN/WIN

When
all else
fails...





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Managing conflict	
Confidence	



1 - Preparation and Planning

- Do you always prepare?
- Do you always research the client?
- Do you plan your pricing and extras in advance?
- Do you check who has negotiated with the people before?
- Do you prepare an agenda to structure the negotiation?



2 - Impressions - the set up

- Do you create a positive impression?
- Do you consider the seating at a face-to-face meeting?
- Are you dressed appropriately, with the appropriate accessories?
- Is your handshake cool and confident?
- Are you smiling or do you look apprehensive?



3 - Asking the right questions

- Do you prepare your questions in advance?
- Do you use open questions for information?
- Do you ask closed questions for clarification?
- Do you try to find out what the other side wants?
- Do you re-ask when you are not sure the answers make sense?

4 - Listening well



- Do you listen actively and carefully?
- Do you stay in the now - in the present, not thinking of other issues?
- Do you stay quiet and encourage the other side to keep talking?
- Do you nod and ask them to expand?
- Do you use listening, attentive body position?



5- Use your head

- Do you think through the problem on paper?
- Do you brainstorm the issues with others?
- Do you MindMap the issues to clarify your thinking?
- Do you know how to keep yourself in a calm state?
- Do you keep a notepad with you at all times to record ideas?

6 - Interpreting Body Language



- Are you always alert to body language?
- Do you notice other people's body language?
- Do you understand the meaning of many body language tells/indicators?
- Do you mirror and match to gain rapport and a connection?
- Do you manage your own body language at the negotiation table?



7 - Watch out for lying

- Are you always alert in case you are being deceived?
- Do you check if you have a feeling something is not right?
- Do you interpret deception gestures well?
- Are you suspicious if someone is over convincing?
- Do you know the verbal clues for lying?



8 - Using negotiating tactics

- Do you appreciate the psychology of tactics?
- Do you recognise when tactics are being used on you?
- Do you understand the most common tactics?
- Do you recognise dirty tactics?
- Do you know how to defuse tactics?

9 - Influencing



- Do you try to build rapport and
- Do you put yourself in the other person's shoes, empathising?
- Do you choose your words and your language carefully?
- Do you have a good idea of the common influencing strategies?
- Do you get commitment before you make a concession?



10 - Bargaining effectively

- Do you trade concessions?
- Do you ever accept the first offer?
- Do you know your variables (extras) to trade?
- Do you use language if you do this for us - then we will do that for you?
- Do you practise haggling in shops and markets to improve your skills?



11 - Conflict

- Do you ask for more than they expect?
- Do you create a little conflict to get what you want?
- Do you know your natural conflict style?
- Do you know how to recognise other styles?
- Do you know that you should change your style to match the other person?



12 - Confidence

- Do you prepare to feel confident when negotiating?
- Do you take an observer, team member with you to help your confidence?
- Do you know how to put yourself in a confident state?
- Have you learnt from others about research and confidence?
- Are you aware not to look too over confident?

Personal Scorecard Weightings:



Multiply your scores from the above assessment by the following weightings to discover how good you are at negotiating:

Preparation and planning	4
1st impressions	1
Questioning	1
Listening	2
Use your head	1
Body language	2
Watch out for lying	1
Strategies and tactics	3
Influencing	1
Bargaining	2
Managing conflict	1
Confidence	1



What's your score?

- **80 and over** - You're an excellent negotiator. Are there any skills that could be improved? You should focus on those.
- **70-79** - You're a good negotiator. You might have a few areas to work on to achieve the next level.
- **60-69** - You're OK.
- **50-59** - Room for improvement. I expect there are several skills you could improve on.
- **40-49** - Help wanted. You're a below average negotiator and could really develop your skills to improve. What is it that you need to focus on?
- **39 or less** - Read this book from cover to cover!

Remember: this is your judgement on where you are now. What is more important is where do you want to be? Where should you be bearing in mind you are reading this book to become a better negotiator.

Which skills should you improve?

Source: See pages 32—35 of “Win Win” by Derek Arden and Chapters 6 to 17



Coaching questions

- What went well?
- With hindsight - what would you have done differently?
- Was it a win win win?
- What was your BP – TP – WAP – AP?
- Impression you made and left
- What was their style?
- Were any tactics used?
- What Body Language did you notice?
- Anything else you noticed?