



INTERNATIONAL NEGOTIATION

Training material

INCONEXT PROJECT

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Introduction

According to the American economist John Kenneth Galbraith “*Sex apart, negotiation is the most common and problematic involvement of one person with another, and the two activities are not unrelated.*” When people from different countries meet to negotiate, bargaining becomes even more problematic and difficult. Negotiations can be even more problematic

Negotiation is a decision-making process that provides opportunities for the parties to exchange commitments or promises through which they will resolve their disagreements and reach a settlement. A negotiation is two or more parties striving to agree when their objectives do not coincide.

| Day 1 | Time | Day 2 | Time |
|--|----------|-------|------|
| Introduction | 0,5 | | |
| The basic tools and techniques of negotiation | 1 | | |
| <i>Break</i> | | | |
| Development of an effective negotiation strategy | 0,5 | | |
| Cultural differences in body language and its effect | 0,5 | | |
| Good practice examples and negotiation training | 1,5 | | |
| <i>Conclusion and Q&A</i> | | | |
| Time total | 4 | | |

Basic tools and techniques of negotiation

Many people only know two negotiation techniques: the hard and the soft. A soft negotiator tries to avoid conflicts and is therefore making concessions more easily to have a peaceful agreement which often leave them feeling exploited. Others prefer a hard negotiation style

finding themselves in a position of being perceived as rude. This often affects negotiations negatively, resulting in destroying good relations.

But there is a third way of negotiation which is neither hard nor soft, but combines the positive aspects of both. If using this type, you should take care that all parties are working on augmenting the benefits for all sides, but also insisting that the results are based on principles that are equally acceptable for both sides. The concept is better known as the Harvard concept of negotiation.

Four conditions have to be met. These are the basic principles of the Harvard concept:

1. The negotiators on both sides should distinguish personal relations from the problem to be solved
2. Concerns are important, not bargaining positions.
3. Develop alternatives that will create win-win situations for all parties.
4. All negotiators have to agree on objective criteria on which the bargaining result can be measured. (Mathys AG, 2006)

How to develop an effective negotiation strategy

Following twelve guidelines help to keep negotiations from personal conflicts:

1. You should put yourself in the negotiation partner's place. Try to understand his/her thinking and point of view.
2. Speak about the prospects of both parties.
3. Do not credit the negotiation partners with your own problems.
4. Involve the other party in the negotiation process.
5. Try to bring your proposals in agreement with the value system of the other side.
6. Articulate your emotions and accept them.
7. Allow the negotiation partner to let off steam, but do not react on emotional eruptions.
8. Use token gestures (e.g. a handshake, a small present).
9. Listen carefully and give feedback to the things spoken.
10. Speak comprehensible.
11. Talk about you, not about the opposing party.
12. Create an active relation. Get to know the negotiation partner. (Mathys AG, 2006)

The second principle is to concentrate on concerns, not on his positions. To reach acceptable results you have to look behind the revealed viewpoint of your negotiation partner. The most important task thereby is to find out the true motives and interests for his position. (Mathys AG, 2006)

The most effective method to find out about the hidden concerns – also for yourself – is the question “Why?”. When asking this question, be aware that the question has two dimensions. One dimension refers to the past, and is asking about reasons, and sees our behaviour as determined by former incidences. The other dimension is looking in the future and is seeking goals, and perceives our behaviour as a consequence of the free will. The answers to the last “Why?” – the future- and goal oriented – are worth negotiating about. (Mathys AG, 2006)

It is also effective to talk about the concerns of all partners. It will ease the negotiation and you the conflict solving will be accelerated. Only if your negotiation partner knows your concerns, he or she can react on them. At the same time you should also see the interests of the opposing party as part of the problem which should be solved. (Mathys AG, 2006)

Developing options that are advantageous for all parties. Many negotiations come to an agreement that could be better for both parties. The reason is that in a conflict most people think that they know the right answer beforehand. Furthermore they want that their viewpoint should succeed in the negotiation.

For the development of creative options you should

1. Separate the option-finding process from the process of evaluating the options.
2. Rather try to multiply the number of options than finding the one solution.
3. Try to find advantages for all involved parties.
4. Develop suggestions that facilitate the decision process for the negotiation partner. (Mathys AG, 2006)

Use objective criteria. Issue-related negotiating can lead to a sensible agreement in an amicable and effective way. A precondition for that is the settlement of objective criteria. Once you have developed objective criteria and methods identified, you only need to follow three principles:

1. Convert every dispute into a joint search for objective criteria
2. Argue sensible – and be open for arguments that rely on understandable criteria and that tell, how they can be implemented.
3. Don't concede pressure of any kind, but yield to sensible principles. (Mathys AG, 2006)