

INTERNATIONAL NEGOTIATING

Steps of the process and
culture specifics

International negotiating

- ▣ **Definition** – bargaining process between two or more parties with its own goals, needs, and views, to reach an agreement
- ▣ **Specifics** -
 - ▣ Partners with different culture background
 - ▣ Language
 - ▣ Relationship building
 - ▣ Rules of negotiating typical for a culture
 - ▣ Body language

Steps

- ▣ 1 Preparation
- ▣ 2 Relationship building
- ▣ 3 Agreeing
- ▣ 4 Bidding
- ▣ 5 Bargaining
- ▣ 6 Concluding



Step 1 Preparation

- ▣ **Goals:** What do you want to get out of the negotiation?
- ▣ **Alternatives:** If you don't reach agreement with him or her, what alternatives do you have?
- ▣ **The relationship:** What is the history of the relationship? Will there be any hidden issues that may influence the negotiation?
- ▣ **Expected outcomes:** What outcome will people be expecting from this negotiation?
- ▣ **The consequences:** What are the consequences for you of winning or losing this negotiation?
- ▣ **Power:** Who has power in the relationship?

Step 2 Relationship building

- ▣ Establishing good atmosphere
- ▣ Keeping up conversation and showing interest
- ▣ Different cultures – various emphasis on relationship building

Example: Middle Eastern countries x Finland (no small talks, relationship building afterwards in a restaurant or sauna)

Step 3 Agreeing procedure

- ▣ **Agreeing on objectives and procedure-mutually beneficial agreements**
- ▣ **Different reactions – the Japanese and the Americans**
- ▣ **Am. culture – most info in words**
- ▣ **Jap. culture – unspoken ways, context, and silence**

Language input - questioning

- ▣ Using *lead* questions – listeners have time to prepare themselves
- ▣ *Could we move on to.....?*
- ▣ Checking understanding
- ▣ *Does that mean you need*?
- ▣ Example: buyers from different cultures ask about different things –
- ▣ Germans – technical features
- ▣ British – benefits to customers

Step 4 Bidding - suggestions

- ▣ Putting forward proposals – the main part of negotiation
- ▣ *We propose that*
- ▣ *A better solution would be.....*
- ▣ *It could be a good idea to*
- ▣ *Alternatively, we could*
- ▣ *Our proposal is to*

Step 5 Bargaining

- ▣ Further offers connected to certain conditions
- ▣ *If you accepted, we could*
- ▣ *We could fund st..., if there was*
- ▣ *We would have no objection provided that the details were worked out together.*
- ▣ *I am afraid we could not accept that.*

Step 6 Concluding

- ▣ Summarizing what has been said
- ▣ *I could summarize... ..*
- ▣ *As we agreed, you will... ..*
- ▣ *There are some outstanding points.*
- ▣ *By our next meeting you will have to... ..*
- ▣ *Is there anything else you would like to add?*

Business cards

- ▣ **Handing over at the beginning – the Japanese – unfamiliar names, and the status and role in the team**
- ▣ **In other cultures – more common to exchange business cards at the end of the meeting**
- ▣ **Japan, China – special rituals**

Controversial topics

- ▣ Avoiding traditional *taboo topics* – religion and politics
- ▣ Possible – information gathering questions – *who, what, how?*
- ▣ *Why?* – may contain criticism
- ▣ Example: *How is your president elected?*
X *Why is your president elected for a long term?*

Collectivism x individualism

- ▣ **Coll. cultures –**
- ▣ **group harmony – Japan, Indonesia, Portugal, Venezuela, focus on family**
- ▣ **Ind. cultures –**
- ▣ **individual performance and individual reward – the USA, Italy, GB**

Different attitudes to time

- ▣ **Polychronic c.** – a high tolerance for interruptions – phones and people coming with questions, time is flexible – Spain, Italy, Greece
- ▣ **Monochronic c.** – devote blocks of time to a certain task, low tolerance for interruptions, emphasis on schedules and deadlines– Britain, Germany, the USA

Gift giving

- ▣ Giving gifts can be seen as a way of helping negotiation or it may be interpreted as corruption and bribery.
- ▣ Gifts acceptable everywhere – company gifts – e.g. inscribed pens
- ▣ Other gifts or services could lead to problems
- ▣ Rituals – East Asia

Using mediator

- ▣ Difficult situations
- ▣ facilitating responses to questions that have been refused or ignored
- ▣ better defining the interests and goals of each side to the other
- ▣ persuading partners
- ▣ changing the manner of negotiating - all parties in one room or in separate rooms to continue negotiations

USA culture or Japanese culture?

- ▣ Quiet, patient and respectful. Modesty and self-control are valued.
- ▣ To be strong is highly valued.
- ▣ Face-saving is very important to preserve honour and dignity.
- ▣ Interactions with the others are mostly unemotional.
- ▣ Always ready to argue their point of view. Arguments are based on facts.

Intercultural tests

- ▣ 1. Compared to people from most other cultures, US Americans appreciate arguments based on:
 - ▣ A. emotion
 - ▣ B. logic and reasoning
 - ▣ C. statistics and empirical evidence

Intercultural tests

2. The concept of “losing face” – a person’s image or value in the eyes of other people – is important in China and this is why the Chinese
- ▣ A. like to do business with small, unknown companies
 - ▣ B. don’t like to give business to friends or relatives because it creates a bad image
 - ▣ C. don’t say “no” directly, even if it’s really what they are trying to communicate

Intercultural tests

- ▣ 3 .Match the country with the percentage of women on Executive Boards of companies included in
- ▣ US 21,1 (1st)
- ▣ Greece 6.5 ?
- ▣ Japan 3.8?
- ▣ Norway 0.4?

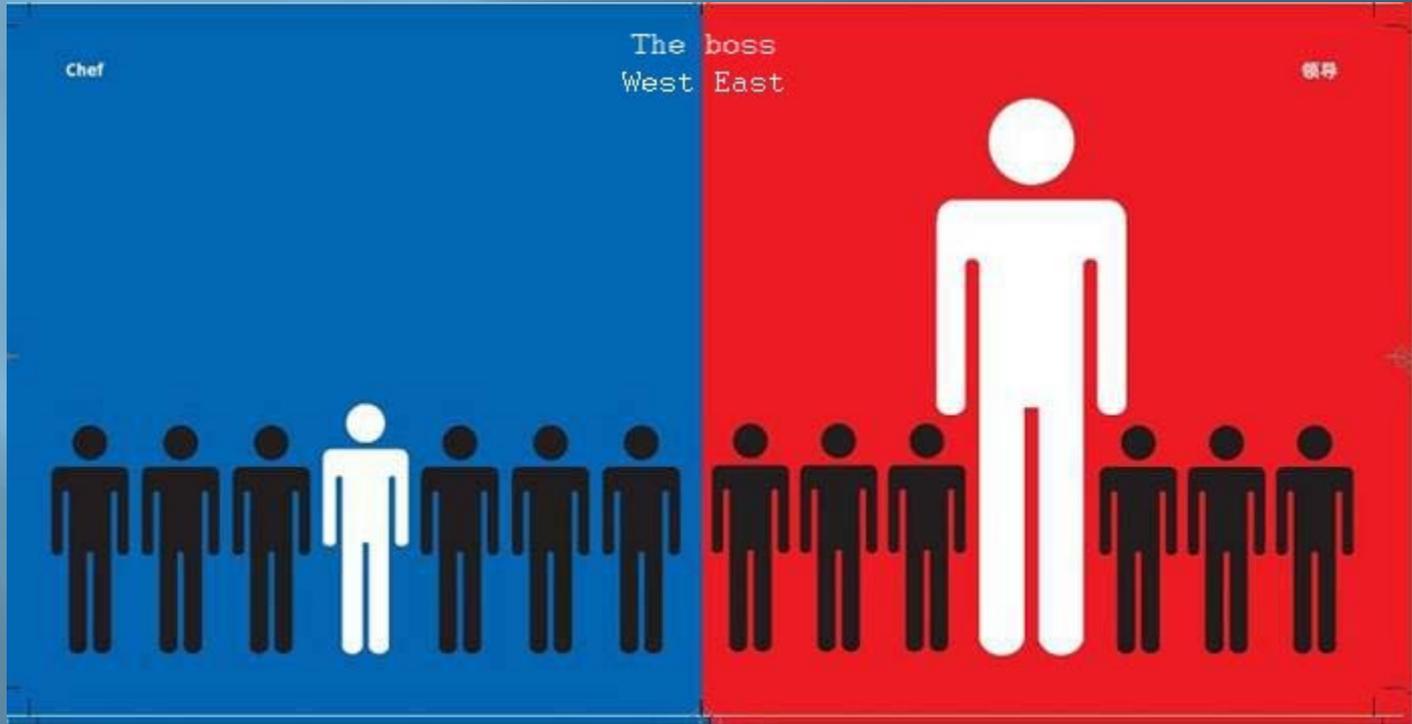
Intercultural tests

- ▣ 4. Do not compliment an Arab's personal possession because he or she might:
 - ▣ A. think you are envious
 - ▣ B. feel that you're being condescending
 - ▣ C. feel obliged to offer it to you
 - ▣ D. consider it bad luck

Intercultural tests

- ▣ 5 .In Japan, it is considered bad manners to write on:
 - ▣ A. a napkin
 - ▣ B. someone's business card
 - ▣ C. a printed meeting agenda
 - ▣ D. a newspaper

▣ <https://www.youtube.com/watch?v=1FeM6kp9Q80>

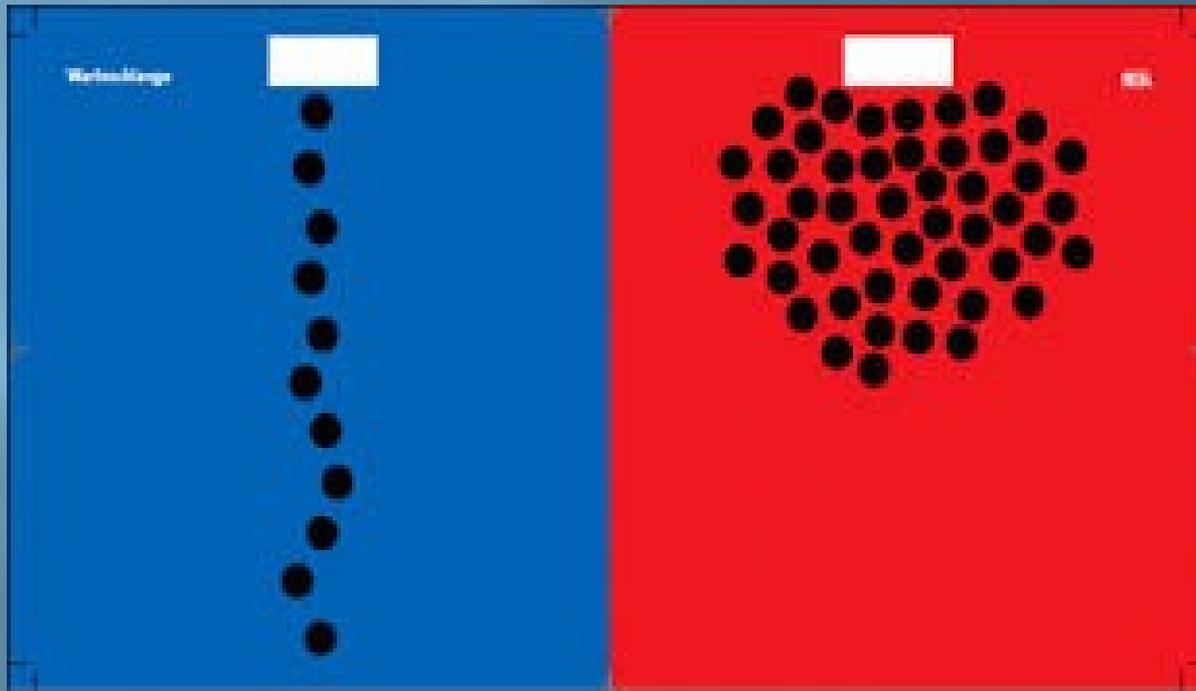


Gesellschaft und Senioren



老人問題





in hand



on hand

