Discussions of Effective Skills for Negotiations: A Field Study

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Abstract: While many studies have discussed and analyzed negotiation skills, only a few studies explored which negotiation skills are effective in negotiation learners' eyes. This research project invited nine participants to take six role-playing negotiation games with a qualitative approach to fill the research gap. With the field study, six themes were identified. The results of this study are not only valuable to negotiation teaching, as it reveals negotiation beginners' learning interests, but it is also helpful for further studying the "win-win" model negotiation.

Keywords: negotiation, negotiation skills, qualitative studies

1. Introduction

Soft skill in negotiations is an essential and required ability to build a network with people worldwide, especially in the business world. In fact, People living in modern society have to master and understand how to effectively negotiate with their collaborators, colleagues, friends, families, or even their children, as negotiations frequently appear in people's daily communications. According to the importance and universality of negotiation skills, this paper expects to use some key negotiated theories to discuss the pattern of a high-quality negotiation process through a research project with data collected from a field study. By doing so, the most effective negotiation skills that may lead to the "win-win" negotiation outcome in negotiation skills learners' eyes could be identified.

Data from the research study come from in-class practices at a private university in Florida in the US. The field study methodology was used in this research project. In the field study, the researcher is expected to play a role as a participant to gather data better [1]. All class practices were conducted in a course in this southeastern University, which was taught in the flipped learning method. As a teaching method focusing on students' self-learning ability, the flipped learning method has pros and cons [2]. On the one hand, it allows some self-motivated students to access critical knowledge more quickly enhances students' familiarity with the preparation, in-process, review, and improvement [3]. On the other hand, less-motivated students may feel left behind as they do not spend enough time reading and practicing after class. With the field study methodology, this study analyzes six negotiation practices in the course taught in the flipped learning style. The changes of students and the progress of student's communication skills are discussed with the negotiation theories.

2. Methodology

2.1 Role-play

There were a total of six role-play games in the data collection process. Games are all designed for helping students to use negotiation skills learned from books in the real world. Each game took two hours to three hours. At the beginning of each round, students had ten minutes to read the game's background and learned the roles they needed to play. The number of participants is fixed and is always ten and the researcher is included. However, the roles in each game were allocated randomly. Thus, two participants in the first game were "colleagues", but they may be business competitors in the second game. According to the different roles, they had to negotiate with one another to reach their best interests. All key strategies of participants in all six games were recorded for further analysis. The field study allows researchers to have a deeper understanding by integrating themselves into the research participants [4]. The name of the six role-plays are listed chronologically as follows: 1)Biopharm Negotiation;2) Zephyr Negotiation; 3) Coffee Contract Negotiation; 4) New Recruit Negotiation; 5) Dependency Negotiation; and 6)

Energetics Meets Generex Negotiation.

2.2 Interviews

After each role-playing game, the participants were asked to discuss their negotiation skills used with a semi-structured questionnaire. As there were nine participants, exclude the researcher, and there were six rounds of games, a total number of 54 interviews were conducted for data collection. Each interview is about 15 to 20 minutes, with 16.7 minutes on average. The questionnaire is divided into two parts. The first part is about what they learned from negotiation games and how they self-evaluated their performance. The second part is about what negotiation skills are more useful in their evaluation and why they think so. All words produced in the interviews were recorded verbatim for later analysis.

2.3 Sample

All research participants are students from the above-mentioned private university in Florida, U.S. They are all undergraduates. The gender rate is five female students to 4 male students. The age range of the participants is from 20 to 26. The researcher used his own people network to recruit these participants. Among nine participants, two are international students. One is from China, and the other one is from Brazil. The international students can speak good English, as they both studied in the U.S. for over three years. Although nine participants do not come from the same major, their academic backgrounds are highly similar, and verbal communication skills are required in their major.

2.4 Ethics

Each research participant had been well-informed and educated about the purpose of this study, and their participation was voluntary before getting invited into the interviews. An Informed Consent Agreement, which comprehensively explained the nature and purpose of the research study, had been handed out to each participant. The interviews only proceeded after the signature had been signed by the participant on the informed consent agreement, so the information rights of participants were all protected. Besides, they also learned that they could stop the research study at anytime they like. However, they would not get any payment for their contribution. The data collected were and are locked and will be destroyed two years later. Through a series of means implemented, the ethical assurance of this study had been completely insisted.

2.5 Preparation

As a Chinese proverb goes, if you know both your enemy and yourself, you will fight a hundred battles without risk of defeat. Before starting to explore negotiation strategies, knowing the researcher's own negotiated style and extrapolating partners' personalities become our first task, as it is related to the choice of method, information sharing, and the consequence of the talk [5]. Thomas and Kilmann (1974) developed the conflict-handling model, which used two parameters, cooperation vs. assertiveness, to conclude five distinct styles: avoiding, competing, collaborating, accommodating, and compromising [6]. People in different styles usually employ certain specific strategies in negotiations. This conflict model is widely used in the negotiation process. The figure of the conflict styles is listed below.
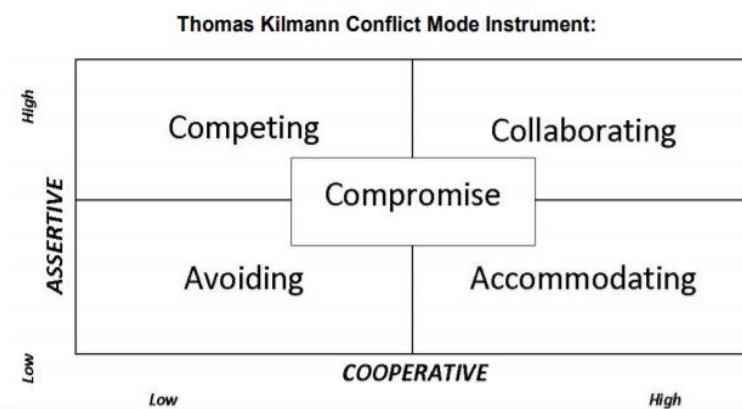

Figure 1

In order to better engage in these role-playing games, the researcher did a self-analysis and confirmed a compromise negotiator initially on the back of the Strategies for Handling Conflict sheet. A compromiser indicates that people intend to look for a middle point for both parties and investigate issues jointly while rarely stating their position as only one point of view. In other words, people in the compromise style rarely insist on having their own best interests at heart, and it is easy to alter their priorities in a negotiation once the other party has expressed their needs. Therefore, the best way to reduce the situation is to complete the negotiation sheet, including the possible issues, the counterparty's BATNA and reservation point, and target. By self-identifying the conflict style, the researcher made strategies for incoming negotiation games as both research participant and researcher.

2.6 Process

The data collection process is about three months. All key strategies and negotiation skills that the researcher and participants employed in six role-play games were recorded and analyzed. After each negotiation game, interviews with nine research participants were conducted. Below is an example of the role-play game.

In the first role-play, the researcher represented the Biopharm company to fulfill both interests. After our negotiations, the representative of Seltek and the researcher agreed to the final price of *$13.8 million* in a limited time. Initially, the researcher's target fell between $11 million to $12.5 million. The researcher was confident about it because the researcher assumed the price range could help us confirm the price while satisfying both interests. In this case, Seltek made the first offer with $16 million and provide the offeror with anchoring bias, but the researcher did not accept the first offer since the researcher felt there was a big ZOPA(*zoom of possible agreement*) for me to bargain. Seltek promised to provide the related equipment and team while packaging a patent at $13.8 million for the final deal. Indeed, Seltek's offer was persuasive, and the researcher knew that accepting the price might fulfill mutual interest. Still, the researcher believed it was not their reservation point, and decided to continue the negotiation. After a few minutes of talk, the researcher felt that the third-times offer touched Seltek's reservation point, and they seemed ready to walk away. The researcher compromised to the offer of $13.8 million. According to the result report, all parties are almost on the price trend line, and the final price was the average compared to other groups. Nevertheless, the researcher evaluated the final deal as a win-win negotiation since both parties obtained an average deal besides a stable relationship and many intangibles. Based on the feedback and analysis, the facilities with extra service or products are the critical factors that affected the negotiation, as each party would adjust BATNA(*Best Alternative To Negotiation Agreement*) due to the counterparty's performance.

Later in the interviews, participants confessed that they learned many good lessons from the first game. For example, one participant stated that the first offer is not the final agreement. Typically, the anchor keeps the negotiation smooth and provides more opportunities for the opposing party to modify their BATNA and selling strategies. For another example, compromise would not be an effective method to obtain the best deal in business negotiations. Instead, developing more side interests and make more possible options for each other would make the negotiations move more smoothly.

2.7 Data Analysis

To further explore practical negotiation skills that help difficult conversations move, nine participants were recruited to participate in six rounds of negotiation role-playing games. The researcher observed and recorded their strategies, skills, and performance in the negotiation games through a field study methodology. Then, the researcher also conducted interviews with each participant after building rapport with all participants. The whole process took three months and produced a 198-page transcript. Participants' critical facial expressions and gestures that could represent their psychological dynamics were also recorded.

The data analysis followed the rule of the qualitative research analyzing skills proposed by Croswell[7]. The three reading circle procedures were applied, and each reading circle has its distinctive function. The goal of the first reading circle is to have a basic understanding of the data and generate initial codes. The task of the second reading circle is to create themes with codes made in the first round. This last round is to re-check themes and combine similar themes and finish the final report. In screening data, a semantic analysis was conducted to explore the meaning of data deeply. For example, when a participant was asked which part he thought to improve in his fifth round negotiation, Cobalt and Silverlight Negotiation, he answered: "if I could engage in the case again, I would research their culture

and conform to it while adopting their local management team but taking shares in the joint venture." . He means that he realized the critical influences of culture in cross-cultural negotiations. Thus, by analyzing the meaning of his words, it was grouped to the themes of "learning cultural backgrounds of your counterpart."

3. Results and discussion

3.1 Results

According to the results of data analysis, six themes were finally created. They respectively are:1) Building Rapport; 2) Listening actively; 3) Trying to explore side-interests; 4) Be aware of the anchoring bias; 5) Analyzing and cultivating your BATNA; 6) Learning cultural backgrounds of your counterparts. Figure two shows the pattern of the research themes.

Figure 2

3.2 Discussions

The findings of this research study show consistency with other empirical studies in the same research direction [8]. According to data obtained from this study, research participants evaluated active listening, rapport building, side-interesting exploring, anchoring bias detecting, BATNA analyzing, and cultural background checking as vital skills in leading negotiations to success. As all participants are undergraduates who hardly have authentic experiences in the real business world, the study results are exciting and meaningful to negotiation studies.

First of all, the importance of cross-culture communications in negotiations has been proved again in this study, as all participants repeatedly mentioned and discussed that learning the cultural backgrounds of their counterparts is one of the key skills to a "win-win" outcome negotiation. For example, in low context culture such as American culture, people are more likely to express their willingness and needs more explicitly, while people with high context culture are leaning towards hiding their best offers first and observing how their counterpart acts [9]. Thus, if people learn more about the communication styles of the other sides from a different culture, they are more likely to make excellent deals that are beneficial for both.

The findings of this study also indicate again that personal relationships matter in negotiations, as research participants recognize the importance of building rapport. It is worth noting that some research participants knew each other before role-plays, so in the games, they may cooperate more closely and work together for expanding mutual benefits. In real business negotiations, parties may not share their accurate information as they are afraid their counterparts will use it against them or take advantage at the negotiation table. Information sharing is a process of building rapport per se. However, to develop closer relationships among members from different parties, more steps may involve, for example, having business dinners.

The usefulness and practicality of active listening in negotiations have been repeated in this study as the finding pattern indicates its importance. There are many key steps in active listening skills to make it work to the maximum effect, and some steps call for extensive negotiation experiences. For example, in active listening, negotiators have to be careful and sensitive enough to observe the facial expressions of their counterparts so that any tiny emotional changes can be caught and quick and positive feedback can

be delivered on time accordingly. In addition, how to skillfully reflect the sentences of the counterparts needs many practices for negotiators, as it could be regarded as disrespectful or even rude in certain situations. Although active listening as negotiation skills is relatively complex and takes time to master, it is the fundamental foundation of negotiations that explores mutual interests [10]. Negotiators who can use active listening with ease are more likely to achieve creative outcomes.

4. Conclusion

Just like other studies, this study has its shortcomings. The biggest problem of this study is the relatively high homogeneity, as 7 out of 9 research participants are from the U.S. Thus, their cultural inclination that may influence the choices of negotiation skills can be similar. However, the number of samples is acceptable for a qualitative study [11]. This paper examines practical negotiation skills in negotiation learners' evaluation with a field research study despite some flaws. With six themes identified, the study results are comparatively rich and interesting. This study is not only valuable for further understanding negotiation theories but also helpful for negotiation teaching.

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