

Communicating during cross-cultural negotiations

Executives actively engaged in international, cross-border business transactions frequently express considerable concern about the levels of communication that exist within the negotiating process – particularly the global reliance on ‘business English’. This article analyses the problems inherent in such linguistic muddling and provides some recommendations.

Coming from an Anglo-Saxon environment I have often been surprised by the willingness of most of our negotiating partners to speak English. It has been observed that ‘bad (poor) English’ is the language of international business. I have to speculate whether, for example, in 2107 most international business transactions will be conducted in Chinese as that country becomes ‘the workshop of the world’. However, it is not my intention to write a historical analysis of how English has come to dominate business transactions but rather to explore what this means in terms of the negotiating process itself.

One conclusion we can draw at the outset is that ‘the art of linguistic muddling through’ is alive and well. If we apply the 80–20 rule to communicating in the negotiating process we will recognise that it is ignored more frequently than it is observed. A brief glance in the mirror confirms that we are designed with four receivers (eyes and ears) and one sender (mouth). Most negotiators will plan what to say and when to say it; but how much planning goes into listening, both in quantity and quality? Who in team negotiations is given the task of listening? Often it is a lower-status member who does not fully understand the context and implications of what is being said. This situation is compounded by the games played by the senior representative. The mindset is: “They have to hear it from me to give it both credibility and impact.” This wonderful self-justification ignores the point made by a particular German observation: why keep a dog and bark yourself?

There may be another reason, namely that the senior representative is seeking to manage a team characterised by unresolved internal conflicts that could erupt and seriously delay or destroy the potential deal. These conflicts may be represented at the table or, even worse, remain unresolved in the organisation while the negotiations have already begun.

Questioning: the primary activity

Rather than focusing on what we want to say we should focus on what we want our counterparty to say in reply to our well-prepared and well-timed questions. Maybe a quest for perfection but we must recognise that most negotiators, in preparing for the start of a negotiation, think about the what, when and how of communicating their vision for the deal and their opening

position. In the past we have been given clear advice on how to communicate the opening position but not how to ask the first or second series of questions. The Arab observation “when I listen I have the advantage, when I speak I lose it” appears to recognise both a tactical issue and behavioural fact that many negotiators are uncomfortable with pauses and silence. The observation that “fools rush in where angels fear to tread” should support our resolve to limit our communication output primarily to questions that are planned but also to those that emerge in response to the dynamic of the meeting. A characteristic of Japanese negotiators that has often been reported is their willingness to engage in questioning for long periods on behalf of those at the table and absent colleagues.

by Andrew Gottschalk,
Group AG

Who in team negotiations is given the task of listening? Often it is a lower-status member who does not fully understand the context and implications of what is being said.

Our Anglo-Saxon concept of progress in the negotiations does not sufficiently take into account the time needed for gathering information and building relationships. Our organisations require timescales with milestones that provide an indicator of progress and a clear commitment to completing the deal. Have we forgotten the last-minute issue that became the crisis that torpedoed the deal? We carry with us an assumption that identifying the gap between the two parties is a clear and well-defined process that can be established in a relatively short period of time. Subsequently, we can move into the second phase of the negotiating process in which we narrow the gap between the two parties that will require most of our time and energy.

Clearly this is a process with its own internal logic; however, the timeline is often not so clear. Executives negotiating in China, Japan and Russia have all reported that, after having communicated their opening position, they encountered a refusal from their counterparty to reciprocate. They feel that their disclosure left them vulnerable and tactically exposed to making concessions even before they knew their

counterparty's position. An initial answer to these difficulties can be found by recognising some of the cultural factors that impact on the negotiating process.

Listening cultures

Systematic questioning as one of the primary tools of effective negotiating has some obvious benefits. It might help us to avoid disclosing critical information and beneficially form the basis of respect and trust that supports both the deal and its implementation. To the extent that the talking/telling cultures are primarily English-speaking (from San Francisco to Dover) it should come as no surprise that our counterparty may have a preference for listening. Cultures that display a preference for listening may display other features that we must recognise. In his perceptive book *Riding the Waves of Culture*, Dutch author Fons Trompenaars develops seven dimensions that help us recognise cultural differences and their impact upon the communicating process during negotiations. This article will review three of the seven dimensions.

To the extent that talking/telling cultures are primarily English-speaking, it should not be a surprise that our counterparty may prefer to listen; such cultures may also display other features we must recognise.

The first dimension, 'universal versus particular', suggests that universalist cultures follow the precept that a deal is a deal with both moral and legal consequences. The particularist culture emphasises the relationship. The deal is flexible and must be responsive to change. The Chinese observation "never do business with a stranger" indicates that relationship-building must precede doing business. In this context the time invested in balanced communication, with a heavy emphasis on questions and answers, will play a significant part in building the foundation upon which the deal is concluded. Universalism is very Anglo-Saxon but is also alive and well in German-speaking and Nordic countries. Particularist cultures are primarily encountered outside the European Union.

In the second dimension developed by Trompenaars, 'individualism versus collectivism', we find further confirmation of the need to increase the quantity and quality of communication. Collectivist cultures give the group a primacy that requires an enhanced sensitivity to balanced communication. In order to avoid internal disunity and conflict, time invested in communication interspersed with periods of silence for reflection becomes a basic requirement. Collectivist cultures that are found in Southern Asia often appear to provoke our frustration because of the time demands they make upon us. Consistent and persistent

questioning appear to run counter to our Anglo-Saxon demands for a speedy conclusion to the transaction.

The third dimension, 'ascription versus achievement', provides a further insight into the complexity introduced by culture into the negotiating process. 'Who you are' is critical in ascription cultures. Social status and age become fundamental drivers in the negotiating process. In achievement cultures, it is precisely what you have done that is significant. On the epitaph of Sir Christopher Wren are engraved the words: "Look around you and you will see his work."

However, here we encounter a paradox. Ascription cultures want the highest-status person present. This person's involvement, particularly in the early stages, corroborates what is said and confirms commitment to building the relationship. However, in many ascription cultures, the high-status figure may not want to be an active communicator and will speak through others instead. In our Anglo-Saxon achievement culture, professional success and competence tend to determine who communicates. This has one major disadvantage: the counterparty may not give full credence to what is said because of the perceived lower status of the manager from the ascription culture. This problem is compounded when the expert appears. In the achievement culture the expert plays a secondary role unless involved to buttress or refute a specific proposition. In the ascription culture the expert is an external 'arbiter' of the truth and a defence against internal criticism from the boss and colleagues alike.

Language

Having previously identified some of the structural barriers to effective cross-cultural communicating during negotiations, we must now provide some practical insights and advice on how to address these issues. A starting point should be a radical simplification of language. Without realising it, we are the prisoners of our education. Good manners dictate that we should not 'talk down' to our counterparty. We should talk to them as if they were our best friends (but without some of the candour). We are, however, ignoring a simple linguistic fact.

For example, if we state that the English language has a total vocabulary of 20,000 words, we are comfortable using about 70%. Everyday usage by educated managers may account for perhaps 50%. Popular usage as represented by the tabloids (but not the re-formatted *Times* and *Independent*) is lower, at about 30%. The traveller learning our language is often comfortable with a vocabulary of 5,000 words. When we add the multiplicity of technical languages, the task confronting our counterparty is enormous. He or she is expected to 'climb a linguistic mountain' because of the assumptions we make that they are like ourselves. Put at its simplest, they were not educated in our language space (ie they did not learn the language as we did from our

families and immediate surroundings) and the global TV and radio village only glosses over the linguistic challenge they face in negotiations.

Working in a second language results in both anxiety and fatigue. The verbal slip becomes a personal disaster for our counterparty. The request for clarification is often not forthcoming because of the potential loss of face. Requests for linguistic support, and/or clarification from a colleague, are clear indicators of evil intent. It requires either self-assurance or desperation to demand clarity from the highly educated and sophisticated Anglo-Saxon business development executive. The simple workaround is to repeat the message for the managers or parties who are not at the negotiating table; alternatively, if you are working in a team, for your colleagues to accurately repeat the message. A benefit is increased involvement and participation with a lower risk of contradiction. We must also remember that it is often not what is said but how and by whom it is said that counts.

Questions

In one series of negotiations, my clients always came prepared with forty-eight written questions; up to three days of meetings could be required before they were satisfied with the responses they received. When asked why they did not have forty-nine questions, the reference to the film was lost on everyone except the Anglo-Saxon film buffs. Each question was presented in writing and often written on a flip chart for clarity. Only when a satisfactory answer had been obtained were we allowed to proceed to the next question. The measure of satisfaction was the clarity with which the answers could be communicated to stakeholders, the colleagues in head office functions and the operational departments that would implement the deal. Would an Anglo-Saxon negotiator consider copying this behaviour? Yet from the perspective of the negotiator or negotiators for whom English is a second language, this is highly effective. It reduces the chances of misunderstanding and protects them from blame on their return.

Delivery

Many negotiators either overlook, or are unaware of, the dramatic effect that matching their communication style to that of their counterparty can have on their effectiveness as negotiators in a cross-cultural context. At its simplest, matching styles facilitate the comprehension and relationship-building that underpin the deal. There are three aspects of our communication style that we can manage with relative ease: pace and pause; loud and soft; and direct versus hinting.

During the first phase of the negotiations many negotiators strive for impact in their communication. In practice, pace of delivery and volume (loud and clear) are selected without regard to the cultural context. The counterparty's reaction could be "they want the deal so badly that they will pay almost any price and pay they will over time". In all three of Trompenaars'

dimensions described above, the Anglo-Saxon negotiator has behaved inappropriately. Pace can and should be replaced by frequent pauses to support comprehension and allow space for the development of a dialogue that supports questions and answers.

Probably the most difficult transition for most negotiators is to shift their communication style from being direct to hinting. Yet this is an essential skill when we are negotiating in particularist, collectivist and ascription cultures. In answer to the question "how will they get the message"; the answer is "repetition is perfection".

Translators

In some instances negotiators have also commented that the use of translators compounds the problems of effective communication. Clearly the upside is that both parties are aware that they need to overcome a language barrier. The enhanced cost of money and time may also become an indicator of the importance of the deal to both parties and therefore encourage behaviours that facilitate 'getting to yes'. But before seeing translators as a panacea we should look at the evidence. Most transactions are completed without formally trained interpreters, and most translators are not formally trained. Usually the two parties find a colleague who will take on the translating task specifically for their team. In some instances they will seek to offer a translation for both parties. The major hurdle is when the translator has to deliver the 'tough message'. The toughness that is needed for effective communicating of a position is lost in translation.

The slow quick fix

Before feeling too discouraged we must remember that deals are concluded despite the communication barriers that are raised even higher by cultural complexities. Simply put, to talk less, be comfortable with silence, ask more questions and take more time may be obvious advice. Less obvious, but equally important, is to recognise that modifying our own communication style may result in a dramatic improvement in our ability to communicate across cultural barriers that characterise the international business environment.

Andrew Gottschalk has consulted on major negotiation problems for many major companies and organisations on four continents. He negotiates, consults on negotiating problems and has run negotiating skill development programmes for numerous executives from both the public and private sectors. He has 'sharp end' experience as a commercial and industrial relations negotiator in the motor vehicle and electronics industries.

Tel: +44 (0)7802 445 233 (London) or
+65 41 07 44 95 (Singapore)
Email: andrew@group-ag.com