

# Transactional Analysis - Cultural and Educational Perspectives of Negotiation -

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**Abstract:** This study introduces the negotiation topics from one modern perspective, as an managerial, cultural and protocol structure. The traditionally orientation, psycho-social and communicational, technically and instrumentally, has been extended with one dynamic and very actual approach to the protocol procedures. Here is also analyzed principals negotiation's components, which are frequently mentioned in handbooks of management and negotiation, from the organizational and operational its consequences point of view.

## 1. The importance of negotiation as an element of transactional analysis

In the activity of administrative institutions, firms and economic agents the transactional analysis and negotiation, its pragmatic realization, represent a crucial moment, an art materialized through the negotiator's talent and vocation, as well as a science developed by experiencing, learning and training.

The goal of negotiation is to initiate and expand upon discussions to eliminate difficulties emerging in the relationships between partners, in order to get to the best solution

for both parts and to make a minimum of concessions. The first aspect of the negotiation process is represented by confrontation between partners to gain certain advantages. This requires the use of logics, argumentative theory, and transactional analysis and so on.

As experts in communication theory have shown, negotiation as psycho-social process cannot be separated from human communication, since it is inevitably based on dialogue. Practically, negotiation is a particular/ specific way of communication, based both on the existence of some good or service and of a need to be satisfied.

Ana Lazar's paper on "The Initiation of Commercial Contracts with Foreign Partners" („Initierea de contracte comerciale cu parteneri straini", Universitatea din Bucuresti, 2001), the conditions to be fulfilled by a certain activity so that it can be accepted as negotiation process are the following:

- Complementary interests of two or more parts involved in offers and/ or requests virtually accepted;
- The request or offer expressed by one part does not fully correspond with the offer or request expressed by the other part;
- Reason/ Desire and interest to get to an agreement between parts, who are willing to make concessions;
- Lack of previously established and mandatory rules and procedures or the lack of authority over two diverging parts so as to impose an agreement beyond their will.
- The negotiation process may have different goals which allow an individual or combined approach. In order to determine these goals a series of conditions need to be followed:
- Detailed defining process to ensure its clear and unitary identification by partners;
- Quantification by establishing concrete and precise parameters that are to be developed;
- Time span and echeloning;
- Defining qualitative aspects, specific conditions that need to be fulfilled in order to meet the partner's requests;
- Establish temporal, financial patrimonial and other restrictions;
- Determine responsibilities and obligations in the partial or complete realization of the negotiation's goal.

## 2. Transactional analysis – processes of negotiation

"Negotiation involves the existence of a joint project of the parts. It cannot be conceived without the existence of converging factors in the parts' interests and bringing these common interests to the surface for mutual benefit represents the goal of negotiations in itself."<sup>1</sup>

Negotiation, as a complex developmental process of the psycho-social dimension of institutional/ organizational management, must follow the principles listed below (see also Ana Lazar, quoted work):

- *The principle of mutual advantage*, according to which, each part will adjust requests and review the initial goals; this principle does not exclude the possibility for one part to gain more advantages than the other;
- *The principle of compensatory action* which means that no part will receive anything unless that partner gives something in return; without making concessions one cannot benefit from concessions;
- *The principle of morality and legality* implies that negotiation ranges in the limits of what is legal and moral.

The main condition for negotiations to succeed is to rigorously prepare them, by developing the premises for the presentation of parts' position, for communication between partners and the beneficial closing stage of treaties. It is not recommended to finish negotiations without drawing any conclusions.

Failure in negotiation process cannot be ignored and is the result of little preparation, behavioural and/ or communication gaffes.

<sup>1</sup> Pistol Gheorghe, quoted work, p.220

Persistence of these mistakes may have unfavourable consequences over the organization's prestige. In order to eliminate them by specific interventions one has to use much greater material effort than that needed for a proper preparation of each negotiation.

In the above mentioned work the author asserted that negotiations can be approached following the principle "observe and do it yourself", so as to obtain beneficial results without training based on complex information of the negotiating team. Nevertheless this is the mere exception – such negotiations end in failure and most of the times one doesn't even reckon this failure. This is why negotiations based on improvisation, emphasizing personal experience and charm, are less and less common. They are replaced by negotiations thoroughly prepared with the aim of avoiding and diminishing the risk posed by unpredictable factors that can emerge in business as much as possible (Lazar, A. Quoted work).

The main stages of negotiation, those more frequent in papers related to this domain, are the following: pre-negotiation, actual negotiation, post-negotiation, proto-negotiation. In this paper we will focus on negotiation.

### **The process of negotiation**

This stage is represented by the dialogue between parts. Dialogue is used during treaties, each part knowing his best interest in the object of negotiation. Now partners present themselves, makes offers, requests, and presuppositions, brings arguments followed by counterarguments, some concessions may appear, most of which are reciprocal.

Usually, negotiation is a predictable

process that begins with profound investigation and with the analysis of wishes and possibilities regarding the negotiation issue. It then continues with examining the position towards the negotiation partner. In the end various possibilities are analyzed and the most efficient one will be elected.

It is important for both partners to start this process bearing in their minds the idea that no negotiation has winners and losers from the very beginning. Only when negotiations are over they can reach a common agreement which actually represents the end of the negotiation process.

Whether we exchange emotions, ideas or products, the art of getting along with the trade partner avoiding any conflicts is called negotiation. Thus, by dialogue, many actors with contradicting interests and positions aim at reaching a mutually beneficial arrangement whose terms are not known right from the start. During various stages the parts involved bring arguments and evidence, develop and review demands and objections, make compromises to avoid any rupture in the relationships or an open conflict.

### **Determining factors in the process of negotiation**

Negotiation is strongly influenced by:

- Culture;
- Negotiator's personality;
- Fighting potential of the negotiation team;
- Climate of negotiation.

### **Culture**

Culture influences the duration of negotiations and the strategy used since it refers to the system of basic values which are

dominant in society, to moral and behavioural norms, to traditions and customs that show membership to a certain social group. Consequently it is wrong to approach negotiation without taking into account cultural differences.

These cultural differences not only influence superficial behaviour, but are also essential conditions in understanding values adopted by the negotiator.

Each partner comes to the meeting with habits which often exist only at a subconscious level.

A skilful negotiator must develop his own style, appropriate to his attitudes and strengths, according to his cultural background. When he meets other negotiators who act in a different manner, according to other cultural backgrounds, it is important to respect different points of view and behaviours, but not to be their servant.

Usually a negotiator from one culture becomes suspicious when a partner from a different culture tries to imitate his behaviour, but will respect the one who accepts his customs by preserving his own.

Cultural diversity proves the flexibility and changeability of human organizations. Understanding and appreciating this diversity is crucial in business relationships that cross the borders of one specific country.

The concept of culture in international negotiation is a basic one. Without this concept negotiation can end unsatisfactory. When two partners from different cultures negotiate, a so-called "protection zone" emerges in their behaviour. Partners will no longer react as they would in their own culture. As a general rule, once they find themselves on strange territory, negotiators will obey the "lex loci".

Therefore we identify various negotiation styles, specific to different areas:

**American style** with the following features:

- Bargaining skills/ exuberance/ professionalism;
- Americans consider negotiation to be a constructive competitive process;
- They are friendly, not so formal, they tend to be "egalitarian" whether it is about leaders or subordinates, they are powerful individualities, with strongly positive thinking, they are unhesitating people;
- They show little interest in foreign cultures;
- They appreciate punctuality, efficiency and make quick decisions (this is also the result of the flexible commissions they receive);
- Their financial range is generous, they pay great attention to financial aspects and tend to take risks;
- Argumentation is based on efficiency, they prefer negotiation "point by point", gradually approaching the compromise solution;
- They go rapidly through all stages of negotiation.

**German style:**

- The negotiator will make carefully prepared offers; this is his strong point;
- He is scrupulous, systematic, well prepared, with little flexibility and inclination towards a compromise/ he is utterly punctual;
- During conversations he will make clear, firm and open offers.

**French style:**

- They are firm;
- They insist on speaking French during negotiations;
- They use a horizontal style as opposed to the American vertical approach;
- They prefer to settle a preliminary agreement, then a virtual agreement and finally an absolute agreement.

**English style:**

- They are amateurs compared to the Americans
- They are open, friendly, sociable and pleasant/ flexible;
- They are rather underprepared than over-prepared.

**Northern European style:**

- They are quiet, speak rarely and help the others get all information necessary about their position;
- They exploit creative possibilities very well and will make creative decisions;
- Their strong points are frankness and openness they show in exploration stages/ they can be stubborn sometimes;
- They are somewhat reserved when they enter the social environment in the beginning of negotiations.

**Mediterranean style:**

- They are warm, exuberant and use ample gestures;
- They manifest certain difficulties in directing discussions towards a particular problem or during certain stages of negotiation;

- The use of bribery is common; this is something normal in nature, not revolting.

**Communist style:**

- It is bureaucratic and most of the times it takes political nuances;
- A great number of people gets involved;
- A representative of the political system is part of the negotiating team; the methods as well as the goals are bureaucratic;
- Agreements are very detailed and they are signed by all participants to negotiation.

**Middle Eastern style:**

- Negotiation is based on the tradition of the desert which stipulates great hospitality;
- Trust that visitors must gain is extremely important/ duration has no relevance which generates often interruptions and delays;
- The exploratory stage, of climate building, can take a longer time span.

**Chinese style:**

- Great attention is paid to reputation/ they have good specialization;
- They are somewhat suspicious towards Western partners, therefore avoiding to discuss political issues and concentrate rather on family life;
- They prefer to negotiate with someone who is in a leadership position in the respective firm;

- The team includes many technicians, which makes negotiation more difficult, since each of them wants to defend his own reputation by trying to get the best offer.

Consequently, negotiation with a foreign partner requires a careful study of the culture that he belongs to in order to be able to choose the best strategies and tactics. Also, understanding and respecting traditions and values of the foreign partner during negotiation are key elements in obtaining a beneficial and lasting agreement.

#### **Negotiator's personality**

Good results of negotiation depend greatly on the personality of the partners. Negotiator's personality is given by his native qualities, like talent, patience, power, individual charm, spontaneous communication etc. as well as by environmental influence: education, training, individual efforts, experience and so on.

Aside from intrinsic traits there are also attributes regarding motivation, since motivation has great influence over the process of negotiation, mainly argumentation, patience, duration and outcome of negotiation.

Many dormant qualities of the negotiator may be activated and accentuated through training and improvement in the process of negotiation.

The whole compound of elements that define human existence – personal life, health, studies, behaviour in society, culture, human relationships, familial relationships, professional training etc. influence the negotiator's personality and implicitly the negotiation process.

#### **The fighting potential of the negotiating team**

The power to negotiate or the fighting potential represents the sum of instruments and mechanisms negotiators benefit from in order to complete their actions. The better prepared the activity of negotiation the more chances have the negotiators to make the best in front of their opponents and the higher is fighting potential.

#### **Climate**

The climate of negotiation may be warm, friendly, precise, formal, cold, intransigent, difficult or tense.

A positive climate means cordiality, collaboration, agility, and good for business.

Such a tone is achieved with diplomacy. Business related problems will not be discussed immediately. A certain time span is required for the two parts to get to the same level in dialogue, to adjust their thinking and behaviour so as to reach a common field.

This is an effort which both partners have to make. Conversations, even on everyday issues have to be friendly but not indiscrete (too personal questions have to be avoided). The partner must feel good therefore diplomacy, eulogy etc. are used.

If we notice that certain subjects are boring or unpleasant, then it is recommended to avoid them. Moreover when someone strongly maintains something which has nothing to do with the subject of our debate and with which we disagree, there is no point in contradicting our interlocutor, trying to make him give up his own ideas.

Eulogy must be pleasant. Any exaggeration and anything that may sound artificial has to be avoided. Eulogy we receive will be accepted elegantly, with no false modesty.

When silence is uncomfortable, we may start an everyday conversation or mention something interesting about the future of the business.

Other influences on climate may result from:

• *Interlocutor's face expression and gestures:*

While verbal communication is used mainly to send information, non-verbal communication (face expression and gestures) is used to express interpersonal attitudes, given the fact that most of the times the expression of our face and gestures escape our control, which a fine observer knows how to interpret and find out what our real position, emotions and thoughts are.

Contradiction between verbal and non-verbal communication is quite embarrassing. Researchers assert that using gestures is impossible, but educating them is not. The more educated and higher in social rank a person is, the less he or she will use gestures and body movement. Face expression can be controlled and shows the partner reactive information such as: satisfaction, distrust, disapproval, anger and so on.

• *Eyes:*

It is said that eyes are a mirror to the soul. The way we look at others and we are looked at has to do with our desire of acceptance, trust, friendship. Even not looking at someone has a certain meaning. Interpreting someone's glance means desire to communicate, while gaze may be annoying sometimes.

Moving the eyes upwards means the intention to remember something. Moving the eyes downwards expresses modesty, sadness

and timidity. Dilated pupils show strong emotions and insistent blinking expresses anxiety.

• *Posture:*

The position of the body, shoulders, and spine sends messages of obedience, pride or dominance; drooping head and shoulders, crooked back, all transmit obedience and weakness. Head up shows easiness.

• *Physical control:*

Shaking hands, touching shoulders, arms or body are messages that may convey lots of things about the unuttered attitudes and intentions of the partner.

• *Head movements:*

The position of the head shows us if our interlocutor is listening to us or if he is indifferent. Moving head up means approval, understanding and encouragement. Moving head sideward shows disapproval.

• *Hostile actions:*

Clenching hands, grinding teeth, frowns, tense muscles are signs of hostility.

• *Hiding the mouth:*

This indicates the fact that someone is lying or prepares a surprise. The same interpretation is suited for rubbing the nose with the pointing finger.

• *Hands and fingers:*

Putting fingers together upwards in the form of a coil suggests certainty. Looking through fingers, at the eyes' level, expresses lack of confidence. Clenching fingers is a sign of hostility and aggressiveness. Presentation of the thumb shows superiority.

• **Feet posture:**

Crossed feet convey a negative and defensive attitude. Crossed ankles are a sign of discomfort, nervousness or fear.

**Place where negotiations take place; room design**

The place where partners meet must be comfortable: clean, well lit, well ventilated, with a pleasing temperature, comfortable seats, (mineral) water, enough notebooks and pens, all the necessary means to present the audio-visual material.

**Light and colours**

The nature and intensity of illuminating devices have a crucial role. Too little light represents a stressful element, capable to cause depressive states. Powerful light may cause agitation. Therefore suitable light that bolsters communication is recommended.

Colours influence communication as well: they interfere with metabolism and induce certain states: dark sky blue expresses peace, while yellow is the colour of hope. Vivid tones are preferred by action people (extraverted), while quiet colours by introverted people.

The significance of colours is different from one country to another: red, for instance, is associated in China with joy, celebration. In Japan, the same colour means anger, fight. In America red is for masculinity, while in Europe it stands for love. Black is in Europe the colour of sadness. The same feeling is expressed in China and in Japan through white. In European countries green represents envy, while in Asia it expresses joy and in other countries hope. Yellow means cowardice and jealousy for Europeans. The same colour

expresses intellectuality in America and purity in Asia.

**Clothing**

Conservative style is the most appropriate. Women must not wear trousers, too short skirts (above the knee), shirts without sleeves or with cleavage, shoes with extremely high heels, noisy jewellery, striking make-up, complicated hairstyle.

**Scent**

This aspect concerns both the scent emanated by certain sources (odorizing systems, sprays etc.) as well as perfumes or after shaves used by participants to the meeting. In both cases the scent must be very discrete and natural (powerful scents are excluded from the very beginning since they can distract participants or even disturb them). Good quality products are recommended, but also paying attention to quantity.

**Rhythm of negotiation**

Time is seen as something highly precious and personal. The science that deals with the study of time language is called chronomics. The language of time expresses the attitude towards the interlocutor. Time language may or may not be used to manage, control, express respect and interest.

Coming late to a meeting may be seen as disrespectful. The more a person is waiting, the more humiliated and undervalued he or she feels.

Nevertheless in assessing intention the cultural factor also plays an important role: Americans, Germans, Chinese, Japanese, Russians pay great attention to punctuality, which is not the case of Arabic

or Latin-American businessmen who can be late up to an hour.

In addition, the rhythm of movements (rapidity in entering the room, in exercising attributions, the pace discussions from the start) may suggest special interest as well as the intention to gain time in a certain stage of negotiation.

#### **Position of participants at the table**

Position at the negotiation table is an organizational element with strong implications over the power to negotiate of one part or another. For example, if the discussion is held in one of the partners' office, then the host's territory is automatically larger than the visitor's, who has to find some place on the desk which makes him feel somewhat embarrassed, inferior and diminishes his chances of success in negotiation.

#### **Protocol organization**

Protocol represents the debut of negotiation. Apparently protocol refers to anything else than actual negotiation: people are introduced to each other, there is an exchange of polite greetings, small symbolic gifts are given and received, and discussions are about family, weather, sports.

This introduction is necessary and reasonable, given the fact that negotiation is a process of communication between people. It requires adequate language and attitude, in a corresponding climate. In order to create such a favourable ambient for negotiation, little gifts placed on the table of negotiation are extremely relevant (pens, calendars, trinkets, notebooks, beverages and so on).

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