How to Negotiate in Cross-Cultural Situations

Five Ways to Redefine Negotiation in Cross-Cultural Situations

BY ALEX GREEN — ON SEPTEMBER 10TH, 2020 / LEADERSHIP SKILLS

Figuring out how to negotiate in cross-cultural situations can seem like a daunting endeavor, and for good reason. Negotiating across the cultural divide adds an entire dimension to any negotiation, introducing language barriers, differences in body language and dress, and alternative ways of expressing pleasure or displeasure with the elements of a deal. As a result, many negotiators fear that they might accidentally scuttle an important deal or do something that causes lasting shame. A handful of fundamental negotiating skills can be put in to practice easily in order to overcome these fears, redefine negotiation in an international context, and better understand how to negotiate in cross-cultural situations.

Adapt to New Processes

Getting accustomed to different processes in a negotiation can be challenging, but a willingness to embrace your counterpart’s way of doing business can be essential. This is especially true when a negotiator is visiting their counterpart in their home country. While this can feel overwhelming, it is important to remember that we negotiate in cross-cultural situations all the time. For example, any businessperson who negotiates with another business has prepared for that negotiation by studying their counterpart’s company “culture.” That culture has the same set of rituals, preferences, priorities that can or cannot be negotiated.

Preparing for a cross-cultural negotiation requires the same careful preparation, and done properly, preparation and a willingness to adapt to new processes can help a negotiator get to the fundamental issues of a negotiation without obsessively thinking about the process. For example, the Paris Climate talks in 2015 were reportedly structured using a South African process called indaba as their framework. Participants were aware of the process, and many had never negotiated using it before, but by preparing for the negotiations with the fundamentals in mind, negotiators from across the world reached an agreement.

Negotiate Important Issues Separately

Understanding the importance of negotiating respectfully with a counterpart should be paramount in any situation. When preparing for how to negotiate in cross-cultural situations, the same rules apply, but for that reason, they need not overwhelm one’s preparation. Negotiation comes down to reaching a mutually
acceptable agreement over issues that matter to all of the parties, and that means getting to the issues. Sometimes it also means separating them out and negotiating each one distinctly.

In the 2015 United States-Iran Nuclear Talks, it became clear to the lead negotiators that a host of issues were in play, from the political to the technical, and all of them were of the utmost importance. Instead of trying to negotiate them in the same fashion, the two teams agreed that the technical issues of nuclear physics should be negotiated by experts from both sides, away from the table where the political issues were being negotiated. While the two sets of negotiations informed one another, separating out the issues created space in which negotiators could focus on the most important elements of a deal without distraction. Where issues and positions can quickly become indistinguishable from one another in a cross-cultural negotiation, separating the issues can be an effective way to get to the best outcome.

Listen to Your Interpreter

Being able to speak the language of a counterpart can seem like a tremendous advantage in a challenging negotiation, and sometimes it is. Yet language can also be deceptive, leading a negotiator to believe they have a window into the other side that may not be as clear as we might think. Precise language is the key to creating lasting agreements, and attempts to speak the language of the other side can undermine that precision with misunderstanding. Negotiation experts often advise bringing a trusted interpreter instead. Interpreters can provide valuable information and can interpret critical information more quickly from the other side. When negotiating the creation of the Gulf War Coalition, former Secretary of State James Baker grew frustrated with a counterpart, forcefully closed his notebook and prepared to stand up and leave. At that very moment, his interpreter told him to wait, and that his frustration had moved his counterpart. Sure enough, within moments, an hours-long negotiation came to an end and Baker got what he wanted, but it would never have happened without a trusted interpreter at his side.

Break Bread Together

American negotiators prize the idea of “getting down to business,” and negotiators from other countries around the world do too, but not always. In many cultures, tackling the issues of a negotiation head-on neglects an important social element that is just as necessary for creating a lasting deal. As the United States builds closer ties with Argentina, President Obama found himself in just such a situation at a state dinner with his counterpart in Buenos Aires in March.

As part of the dinner, Obama and the other guests were treated to a tango, and suddenly the President was asked to join in. He quickly obliged, to the amazement of the onlookers. As much as any potential deals between the United States and Argentina, this simple act of participating in a respectful bridging across cultures had an immediate, and significant impact on the relationship between the two countries.

You Can Still Say No
Understanding how to negotiate in cross-cultural situations requires constant learning, curiosity, and respect, but the rewards can be immeasurable. Perhaps the most challenging aspect to prepare for is how to manage a negotiation where you do not reach an agreement. There is an added feeling of pressure to reach a deal when one goes to great efforts to reach out to a potential counterpart, but going into a negotiation with this in mind can be the most valuable asset, because a respectful no can become “not now,” and lead to unexpected agreements down the road instead. By using these five approaches to cross-cultural negotiations, you can begin to forge those kinds of relationships and the lasting agreements that come with them.

Have you experienced cross-cultural situations during negotiations? Leave a comment.

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