



Teaching Conference for
Management Educators

**IOBTC 2016 at
University of Winchester
July 8th – 9th, 2016**

**Submission Template for the 2016 IOBTC
International Teaching Conference for Management Educators**

1) Title of Proposal:

Navigating the Unknown: Cultural Comparison Negotiations Role Play

2) Abstract:

As the business world becomes increasingly complex and intertwined, the need to be able to navigate potentially treacherous waters becomes increasingly important. To avoid disaster, knowledge of how others from differing cultures negotiate serves as a compass. In this integrative exercise, groups are formed to represent different cultures. Through role play the groups interact in a way that is representative of the information provided on selected countries in order to engage in a Principled Negotiation. This activity provides an experiential approach to teaching negotiations while engaging the four stages of the learning cycle (Kolb, 1984).

3) Keywords:

Use three or four keywords to describe your session.

Negotiations Role Play, Experiential Learning, Cultural Differences

4) Format

- Activity or exercise
 General discussion session

5) Time Requested:

- 20 Minutes
 30 Minutes
 60 Minutes

6) Planning Details:

Does your session have any special requirements for space or materials?

Room for 4 groups to have a break out discussion.

7) Learning Objectives or Goals for the Session:

What are 2-4 specific learning outcomes that participants will get from your session?

Participants will

- learn new ways of incorporating cultural factors into decision making through the use of an exercise.
- apply Principled Negotiations concepts and the process undertaken to accomplish this task in a culturally diverse setting.
- experience deeper learning by engaging in all 4 stages of the learning cycle (concrete experience, reflective observation, abstract conceptualization and active experimentation).

8) Management or Teaching Topics:

Describe what management and/or teaching topics are relevant to your session, and why. Please include theoretical, disciplinary, or theoretical foundations that will help reviewers understand how your ideas fit within the broader field of management.

Learning by doing has been a long standing method of effective teaching. As described by Kolb (1984), learning is most effective when it follows the Experiential Learning Cycle, which begins with a concrete experience and is followed by reflective observation, abstract conceptualization and active experimentation. In this particular example, the concrete experience is the role play exercise. Upon the completion of the exercise, the other stages of the learning cycle are addressed during debriefing. As a result, deeper understanding and learning is achieved.

When teaching the complex topic of negotiations in an Organizational Behavior course, the understanding of the topic must go beyond the Principled Negotiation strategy and consider also a BATNA (Best Alternative to a Negotiated Agreement). (Fisher, Ury & Patton, 1981). Given the business environment today, a global perspective is warranted and cultural factors must be taken into account. What occurs in one's home country does not necessarily transfer to other cultures since work behaviors are not universal. (Adler & Gundersen, 2007; Osland & Bird, 2000)

Therefore, in order to break down barriers of understanding, an exercise that teaches principles of negotiations should also take into consideration cultural differences.

9) Session Description and Plan:

What will you actually do in this session? What activities will you facilitate, how long will they take, and how will participants be involved? Reviewers will be evaluating how well the time request matches the activities you'd like to do, and the extent you can reasonably accomplish the session's goals. Reviewers will also be looking for how you are engaging the participants in the session. Include a timeline for your session.

This is a 30 minute activity session that includes time for discussion. The session overview includes:

- 5 minutes - Overview of objectives for the session and distribution of handouts
- 15 minutes - Breakout session in groups
- 10 minutes - Debriefing of outcomes and general discussion

10) For Activities and Exercises: (see next page)

Handout: Principled Negotiation Exercise

Scenario

Team A has been given the responsibility to introduce a new product line into the XXXXX market. Team B is the largest distributor in that market. A negotiation takes place to determine pricing.

Steps:

I. Preparation

Each team has been given country descriptions of two countries – your own and the country with which you plan to negotiate. Review the negotiation strategy documents that have been provided for **both** countries. You may also wish to conduct additional research on your own.

Team A will select the product and company they represent, taking into consideration the likelihood that the product will sell in the given market. Team B represents the distributor that is interested in purchasing and selling the product.

II. Conduct the Negotiation

Keep in mind the following principles (Fisher, Ury & Patton, 1981):

1. People: Separate the People from the Problem
2. Interests: Focus on Interests, Not Positions
3. Options: Invent Options for Mutual Gain
4. Criteria: Insist on Objective Criteria

III. Debriefing Questions following the Learning Cycle

1. Concrete Experience: What was the outcome of the negotiation?
2. Reflective Observation: What were the perspectives of your team and the other team? Why did you (and they) behave as they did?
3. Abstract Conceptualization: How did you apply the Principles listed above? Did you develop a Best Alternative to a Negotiated Agreement (BATNA)? How did your understanding of each culture influence your negotiation?
4. Active Experimentation: What did you learn about yourself as a result of participating in this exercise? What actions may you take in the future to be more effective?

Handout: Country Profiles (Katz, 2011)

BRAZIL

Relationships & Respect

Brazil's culture is generally group-oriented. Building lasting and trusting relationships is most important to Brazilians. They only want to do business with people they like and trust.

Proceed with serious business discussion only after your counterparts have become very comfortable with you. It is unlikely to get anywhere without significant investment of both time and money.

Showing genuine interest and compassion will win people's hearts. Also, show respect to those with higher status.

Communication

Brazilians perceive themselves as Hispanic, do not address them as Spanish.

When communicating in English, speak in short, simple sentences to avoid using jargon and slang.

Brazilians dislike loud and boisterous behavior. Never back away if they are too close when talking, it reads as a sign that you are uncomfortable around them.

Gestures and body language can be very expressive. Eye contact should be very frequent, almost staring to build trust and sincerity.

Negotiations

Meetings start with small talk, it could be extensive. One's private life is not a subject for discussion around meetings. They dislike people who 'leap right into businesses.

The primary purpose of the first meeting is to become acquainted and build relationships. After the meeting, stay around and have some small talk.

Leveraging relationships is an important element when negotiating in Brazil.

Brazilians are used to hard bargaining but not overly fond of haggling. They can be tough and very aggressive negotiators.

During bargaining, keep in mind that intangible benefits such as increase in power and status may sometimes be more desirable to your counterparts than financial gains may.

If counterparts appear to be stalling, assess if they are uninterested or they are evaluating alternatives.

Brazilians may use extreme opening, they may make threats, warning, openly display anger, or even walkout.

They employ defensive tactics such as blocking or changing the subject, asking probing or very direct questions may limit this tactic.

INDIA

Relationships and Respect

The culture is group-oriented. It is important to build lasting and trusting personal relationships. It is beneficial to take time to get to know each other before the business discussion.

Many Indian companies are family owned and operated, talking about friends and family is an important part of establishing a relationship with those involved in negotiating.

Relationships are based off of mutual trust and respect, which can take a long time to establish. Indians are usually very friendly and polite and respect depends primarily on his or her age, status, or rank.

There is a deep respect for university degrees.

Communication

Almost all business people speak English well, but it is advisable to speak in short, simple sentences and avoid using jargon and slang.

Loudness is usually associated with dishonesty. Indians speak in quiet, gentle tones. But no not mistake this for a lack of confidence.

Indians may answer 'yes' as a sign of hearing what you are saying, not that they are agreeing with you.

Avoid any physical contact with other people expect for handshakes. Hindus and Muslims consider the left hand unclean. When pointing at people, use your chin rather than a finger or your whole hand.

Negotiations

Negotiations can be conducted by individuals or teams. Teams should be well aligned, having roles for each member.

Meetings may start late, but Indians generally expect foreign visitors to be punctual. Avoid being more than 10-15 minutes late.

Introduce and greet older people first. Academic and professional titles are very important and highly valued by Indians, be sure to use them when addressing people.

Make your presentation attractive with good and clear, Indians are impressed with technical expertise.

Be prepared to make several trips if necessary to achieve your objectives. Patience and persistence are very important.

Indians love bargaining and do not fall for deceptive techniques are frequently used. Indians often use tactics such as telling lies, sending fake non-verbal messages, or pretending to be disinterested.

Avoid pressure tactics such as opening with your best offer.

Do not bring an attorney to the negotiation table, but signed contracts are not always honored. Indian businesspeople may claim to have met their commitments even if it is a week or more late. Remain flexible.

Gift giving is common and socially acceptable, be sure to know the difference between gift-giving and bribery. If you receive a gift, it is best to give a gift back of similar value that is typical of your home country.

RUSSIA

Relationship and Respect

When doing business in Russia, expect the unexpected. Relationships and Respect

Russian cultures expects its members to have a sense of belonging to and conforming to their group. Building lasting and trusting relationships is very important.

If Russians engage in business without first establishing personal relationships, proceed with caution. They might be looking to take unfair advantage of you.

Russians will only do business with people that they trust.

Communication

When communicating in English, speak in short and simple sentences.

While in public, being loud is usually a poor reflection on yourself. However, people generally converse while standing around two to three feet apart.

Russians keep physical contact infrequent, but eye contact should be frequent-almost to the starting point. It shows sincerity and helps build trust.

Negotiations

Negotiations can be done in teams or by individuals. Teams should have clear roles because Russians can be good at exploiting disagreements between members of the other team to their advantage.

Since teams should be well aligned, a couple weeks in advance provide them with details on titles, positions, and responsibilities of your teams. It is unlikely to meet the top executive of an organization at the first meeting.

Russians expect foreign visitors to be punctual, do not show signs of impatience if you have to wait- it could be for an hour or more.

Presentations should be short and concise. Your presentation should be attractive with good, and clear presentations.

Most Russians view negotiating a zero-sum game in which one side's gain equals the other side's loss. Information is rarely shared freely, since Russians believe that privileged information creates bargaining advantages.

It is not unusual for them to re-open a discussion over items that have already been agreed upon. It is crucial to keep track of the bargaining progress at all times.

They view compromise as a sign of weakness and may frequently refuse to change their position unless the other side offers sufficient concessions or shows exceptional firmness.

The best approach is to be polite and remain tough throughout the bargaining process.

Final offers may be made more than once and are almost never final. They might attempt to make you feel guilty within the negotiation process.

Never underestimate the role of government officials and bureaucrats, they support and approve company decisions. It is important to come prepared to deal with outside forces.

Legal contracts should be clear and concise, without too many detailed terms and conditions. Contracts alone are not dependable. It is best to stay in regular contact with the business.

Russia is a high crime country. It is strongly advised to dress inconspicuously

CHINA

Relationships & Respect

China's culture is strongly group-oriented. Building lasting and trusting personal relationship is critical.

The Chinese concept, called Guanxi, is based on strong commitments and mutual obligations. It can open doors and solve problems that would otherwise be very difficult to master. It can be highly beneficial for a negotiator.

Business relationships in this country exist between individuals or groups of people, not between companies.

They find the fast-paced western business style to be arrogant and rude. Remaining modest and doing everything you can to maintain cordial relations is crucial to your success.

When receiving praise, it is customary to insist that you are not worthy of it or to belittle your accomplishments.

They are patient and persistent to pursuing their objectives. It is in your best interest to do the same.

Communication

It's a good idea to employ your own interpreter, do not rely on someone to provide their own.

When communicating in English, speak in short, simple sentences and avoid slang or jargon.

Chinese businesspeople usually speak in quiet, gentle tones, and conversations may include periods of silence.

When responding to a question, the Chinese may answer 'yes' just as a sign of hearing you.

Restrict your body language, do not cross your legs if possible since it is a sign of lack of self-control. Do not use your hands when speaking since Chinese will get easily distracted. Light tapping on the table using all fingers on one hand means 'thank you'.

Do not take offense to the Chinese answering their mobile phones at all times even during a meeting or discussion.

Negotiations

It is much better to conduct negotiations in China with a team rather than a single individual. Chinese teams usually include highly skilled negotiators, facing them as a team will strengthen your position.

Having copies of your presentation, it is important to include good and easy to understand visuals.

Be careful what you are willing to share yourself and protect your intellectual property. In China, they might use this information in their best interest.

Negotiators may use pressure techniques that include keeping silent, making final or expiring offers, applying time pressure or nibbling. Don't let this fool you into thinking they are not interested. Final offers are made more than once and are almost never final.

Contracts alone are not dependable. They may want 'clarification meetings' to re-discuss details. If you refuse to be flexible, the contract terms may not be kept at all.

Never shows signs of mistrust in your counterpart's intentions.

11) Implications for Teaching or for Teachers:

What is the contribution of your session?

The use of a role play enables students to immerse themselves into the culture and practice making decisions based on what they have learned about the culture they represent as well as the culture with which they are negotiating. This dual role forces students to leave behind their own assumptions and current bias in order to navigate the exercise effectively. It is also important to stress that the effectiveness of this exercise is not necessarily based on the outcome of the negotiation, but rather the process in which the student's use the information to attempt to reach an outcome.

Another contribution of the session is that it walks the participant through the four stages of the learning cycle as noted in the debriefing section. This deliberate order and questioning allow for all stages to be experienced, and thus provide for deeper learning. This methodology for questioning can also be duplicated in other exercises.

12) Application to Conference Theme:

How does your session fit with the overall IOBTC theme of *Elevating Aspirations*?

This session builds on the theme of Elevating Aspirations by providing new ways to approach cultural differences through a role play exercise. At the conclusion of the session participants will have engaged in an experiential exercise that enabled them to think beyond the classroom and bring into account the broad, increasingly complex global business environment when teaching negotiation strategies.

13) Unique Contribution to IOBTC:

Have you presented the work in this proposal before? If so, how will it be different? Is this proposal under current review somewhere else? If so, please explain. How will your proposal be different for the IOBTC conference

This exercise has not been proposed, submitted, or presented prior to the IOBTC conference.

14) References and/or Additional Materials:

- Adler, N. J., & Gundersen, A. (2007). *International dimensions of organizational behavior*. Cengage Learning.
- Fisher, R., Ury, W. L., & Patton, B. (2011). *Getting to yes: Negotiating agreement without giving in*. Penguin.
- Katz, Lothar. (2011, August). The Negotiating International Business- The Negotiator's Reference Guide to 50 Countries Around the World. Retrieved from <http://www.leadershipcrossroads.com/>
- Kayes, D. C. (2002). Experiential learning and its critics: Preserving the role of experience in management learning and education. *Academy of Management Learning & Education*, 1(2), 137-149.
- Kolb, D. A. (1984). *Experiential learning: Experience as the source of learning and development*. Pearson Education.
- Osland, J. S., & Bird, A. (2000). Beyond sophisticated stereotyping: Cultural sensemaking in context. *The Academy of Management Executive*, 14(1), 65-77.