Negotiation: The Challenge of Achieving a Long-term Relationship

https://www.e-ir.info/2011/07/11/negotiation-the-challenge-of-achieving-a-long-term-relationship/

NIKOS CHATZIS, JUL 11 2011

Introduction

Tough economic times since the second half of 2008, have presented negotiators globally with new challenges both in business deal-making and conflict resolution. This trend has become evident by financial hardships at state level (e.g. Greece vs. EU)[1] or future relationships at business level (e.g. Kraft Foods vs. Cadbury)[2]. On the other hand, today, more than ever, long-term relationships are becoming cost and time effective as they open the way for future multiple synergies, against short-termed visions or one-sided interests of the parties involved in a negotiation.

But given the new financial and global realities, how can we define negotiation in a second-generation frame? As Roger Fisher and William Ury (1981: xvii) effectively pointed out: "Negotiation is a basic means of getting what you want from others. It is a back and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed. " Five years later, Lax and Sebenius (1986: 29) observed: "That negotiation includes cooperation and competition, common and conflicting interests, is nothing new." They also gave emphasis on the tension between creating and claiming value during a negotiation. In 2006, both writers supported that: "Negotiation involves the art and science of drawing up deals that create lasting value" (Lax and Sebenius 2006: 10). They presented their 3 Dimensional Negotiation Method (3-D Negotiation) by effectively broadening the scope of the negotiation process through proper setup (parties), creative deal-design (in depth interest analysis) and the use of skilful tactics at the negotiation table (Lax and Sebenius et al. 2006).

In this essay, I will attempt to take advantage of the 3-D Negotiation in a second generation framework. First of all, I put emphasis on parties, their interests and culture, as a "tool" for effective management of emotions. Secondly, I focus in negotiation as a "strategic game" based on the analysis and innovative creation of strategies which are aimed at achieving "strategic equilibrium" during negotiations. Last but not least, I analyze the "social dynamics" of a negotiation contract based on 3-D Negotiation. I consider it as a "power tool" for achieving long-term relationships after the signing of an agreement. Further, based on the negotiation elements of the 3-D method, I develop a second generation negotiation training activity, as students design their own negotiation roles. They start by identifying their interests in a role play and they try to conclude in a long-term relationship, based on their interests during a negotiation training activity. Finally, the definition of a second generation negotiation evolves in a creative challenge for achieving long-term relationships based on proper interests, effective management of emotions and the advantage of using innovative strategies.

Parties, Interests and Position Analysis

How the expressed "positions" in a negotiation are related to parties and their interests? What is an "interest" in a negotiation process? Which is the relationship between a negotiator's "ego" and the positional bargaining tactics he

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

follows? On the other hand, how can use a negotiation's complexity to effectively control its bargaining dynamics? Conversely, what an interest does contribute in an integrative negotiation? A series of well-defined academic work published in previous negotiation books, offers realistic answers to the above questions[3].

A position expresses a party's view or opinion in a negotiation and is defined as: "a proposed outcome that represents one way among many that issues might be resolved and interests met" (Jossey-Bass 2005: 280). But what interests express and how do we measure the success of a negotiation? As David Lax and James Sebenius (2006: 69) noted interests serve: "a party's basic needs, wants and motivations that are potentially at stake in a negotiation. The measure of success in a negotiation is how well your interests met. " So, a position is a proposed outcome and an interest serves a basic need in a negotiation. The final outcome of a negotiation basically connects these two negotiation elements. But if a negotiator gives more emphasis on his positions expressed during a negotiation, he runs the danger of remaining stack in a win-lose game which expresses egos rather than serving pragmatic interests. As Roger Fisher and William Ury (1981: 5) observed: "your ego becomes identified with your position. " As a consequence, a negotiator can not see his real interests in a negotiation, surrendering himself in "a mechanical splitting of the difference" (Fisher and Ury 1981: 5). On the other hand, the development of an integrative approach[4] in a negotiation fundamentally differs from positional bargaining by a given emphasis on the creation of joint negotiation value, based on the parties' true interests (Jossey-Bass 2005).

Additionally, the identification of the pragmatic interests in a negotiation helps the skilful negotiator to discover the real life relationships or conflicts between the parties which participate in a negotiation's environment or setting. On the other hand, every day negotiation practice declares that in many negotiation formats or situations the highly-valued negotiation parties may not be obvious without a detailed pre-negotiation research. "Getting the full set of parties right often calls for going well beyond a mechanical listing of the obvious." (Lax and Sebenius 2006: 54). Finally, pragmatic interests identify not only basic needs but also the most interested parties in a negotiation.

In contrast, how can we overcome the "obstacle" of positions and become real interest-seekers in a negotiation? First of all, as Roger Fisher and William Ury (1981: 107-108) suggested, an effective negotiator can break the impasse of positional bargaining[5] by becoming a "negotiation jujitsu." The main idea is that of a skilful negotiator who doesn't attack or reject the positions stated by the other side. Instead, he "rather than resisting their force, [he channels] it into exploring interests, inventing options for mutual gain and searching for independent standards." (Fisher and Ury 1981: 108). Secondly, the astute negotiator by using open-ended questions creates an active learning environment aiming at receiving real information about the other side's motivated interests, real needs and negotiation practices which may block the negotiation process. As Douglas Stone, Bruce Patton and Sheila Heen (1999) suggested a learning conversation can be achieved by active questioning and listening of the other side. Last but not least, an effective negotiator has the "strategic tool" of developing its "BATNA – Best Alternative To a Negotiated Agreement" (Fisher and Ury 1981) which mainly helps the negotiator to understand the "limits" of any given negotiation in a case of no agreement. Further, BATNA is based on the comparison of the final negotiation stage against the strategic evaluation of its alternatives. Finally, the creation of interest-based leadership conditions during a negotiation helps an experienced negotiator to achieve his goals. According to Jeswald Salacuse (2006: 25) a question for any negotiator [leader][6] to ask is: "why should other people follow me? " The answer to this question is directly connected with the practical understanding of the interests of the other side.

In conclusion, I am going to use the example of chess, as strategic game and its fundamental difference from real life negotiation situations. As Anatoly Karpov and Jean-Francois Phelizon (2006) pointed: the art of playing chess strategically could not be a realistic model for the military, business and political world. The reason is known to chess players and it has to do with the reality that in chess, "the pieces always start from the same positions." (Karpov and Phelizon 2006: 8). On the other hand, equal positioning is a very rare phenomenon in the active world of negotiations, due to the richness of differences between positions, interests and parties in a negotiation, as they have described above. The negotiation situation is becoming even more unequal and complex by the role of emotions in the parties' actions.

The Role of Emotions and their Basic Relationship with Interests

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

During the opening stage of a negotiation we are mostly trying to "build rapport" (Thomson 1998: 147) by practicing open-ended questions[7] and active listening[8], discussing the negotiation process, and putting the initial issues on the table. By following this tactic an experienced negotiator can obtain his first impression about how he feels in the negotiation, and about how the other party feels and reacts on certain aspects, during the initial negotiation process.

But then, a fundamental question surfaces of how can we deal with emotions during this initial stage of the process at the negotiation table? That question adds some short of uncertainty about the proper continuation of the negotiation process. As Roger Fisher and William Ury (1981) noted, an effective way to address this uncertainty is to separate the people from the problem. The "problem" which is also the "substance" of the process, deals with a negotiator's central interest to reach agreement. On the other hand, the "people" dimension of the process deals with the relationship between the parties in a negotiation, and also frames the main challenge of the continuation of the relationship or not, in the future. At this point, the expressed emotions during a negotiation directly connect the negotiation process with the parties' interests at stake. Every day negotiation practice proves that a negotiation overwhelmed with emotions, lead parties to positional bargaining[9]. "Positional bargaining deals with a negotiator's interests both in substance and in good relationship by trading one off against the other." (Fisher and Ury 1991: 21). So, the main challenge becomes to make interests in a negotiation, working in harmony with the relationship, for concluding in effective management of emotions, during the process. In simple words, we have to move from positional bargaining toward more integrative negotiation approaches[10]. But how can we do this? As William Ury (1991) suggests, by putting the people side by side against the problem, we can manage to control emotions and reactions during a negotiation and also help all the parties to save face in a difficult situation.

On the other hand, what does cause strong emotions during a negotiation? Is it the role of certain facts in peoples' mind? Or is it the role of partisan perceptions about certain facts, which interact with individual or parties' interests, during a negotiation? As Jennifer Geranda Brown (2009) noted, a partisan perception is mainly a partisan interpretation of selected memories of the facts which are rooted to people's identities of life and experience. But how can we identify partisan perceptions about facts and their impact on emotions? The best strategy to follow is to change the certainty we feel about a fact, with curiosity, about the same fact, by establishing the conditions for a "what happened" conversation (Douglas Stone and his colleagues 1999). By effectively challenge our curiosity through open-ended questions and active listening we can manage anger, anxiety, fear and guilt, which usually block creativity during negotiations. The tension between empathy and assertiveness (Mnookin and his colleagues 2000) is a practical example of a difficult negotiation situation, caused by conflicted interests which are expressed by strong feelings.

However, a negotiator's awareness about his emotions[11]during a negotiation can have a positive influence in the process only if he effectively manages to listen to his emotions. "What cause us to react are our negative emotions. Fear and guilt drive us to accommodate or avoid, while anger drives us to attack. Acting out our emotions only gets in the way of our being able to pursue our purpose." (Ury 2007: 33). Finally, a negotiator's ability to effectively manage his emotions is directly related to his leadership skills for creating interest-based motivation conditions. As Jeswald Salacuse 2006: 152) argues: "the interests and feelings of the persons you lead are at the heart of the motivation challenge." More effectively culture has an important role to play for harmonizing the negotiation's environment.

Culture as a Management Tool for Emotions Based on Interests

By expanding the scope of negotiation from "positional" to "interest-based", the next generation negotiator[12] tries to effectively manage emotions during negotiation as he aims to achieve long-term cooperation agreements in business deal-making and conflict resolution. As we carefully examine the "elements" of negotiation and their role during the process, it is becoming obvious that the next generation negotiator needs more "tools" for fulfilling his goals. And then, two questions of culture arise: Is it culture an effective negotiation tool? And if it is, how can we use it in the next generation negotiation framework?

As Jaswald Salacuse (2003: 89) noted: "Culture profoundly influences how people think, communicate and behave." Given this approach, culture influences our personal understanding about our thoughts, the other party's thoughts, intentions and actions during a negotiation. The same is true for the understanding that the other side builds about

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

our thoughts, intentions, and actions. In that sense the practical meaning[13] of culture is directly connected with the negotiation process. More effectively, the negotiation environment tends to be more friendly and creative when negotiators share the same culture.

On the contrary, cultural differences between negotiators can block creative concessions or the final signing of an agreement. International negotiation practice confirms that a Japanese negotiator "interprets" differently a response to a proposal, than an American negotiator. "So when a Japanese negotiator in response to a proposal says, "That is difficult," he is clearly indicating that the proposal is unacceptable. "It is difficult," means "no" to the Japanese, but "may be" to the American (Salacuse 2003: 94). Further, by following a broader approach toward negotiation, we can observe that culture can influence the goals, attitudes, and personal styles of behavior, methods of communication, time sensitivity, emotionalism, and the final form of the proposed agreement (Salacuse 2003). So, if we aim at making culture an effective negotiation tool, we have to carefully study cultural differences[14] during our pre-negotiation preparation stage in order to be fully aware about the cultural sensitivities of the other parties.

On the top of that, how can we approach culture in a second generation negotiation framework? As Phyllis Bernard (2009) notes, principled (interest-based) negotiation can be connected with culture and different cultural values and finally enhance problem-solving approaches during a multicultural negotiation business setting. "Ideally by giving voice to the underlying cultural values impacting the business deal, parties identify positive factors around which to judge the appropriateness of solutions reached through problem-solving" (Bernard 2009: 34). Further, the valuable example of the ancient Phoenician culture of the "psychology of giving" (Chamoun, Hazlett 2009) by using "tradeables"[15] underscores the role of culture in achieving profitable business and commercial deals. In a very basic sense, "tradeables" covered a series of needs not necessarily linked with the core of a mercantile agreement by furthering its scope.

In contrast, the role of culture remains crucially important during a negotiation even when the negotiators don't have time to analyze the cultural context of the process. As Maria R. Volpe and Jack J. Cambria (2009) effectively argue, New York's (NYPD) hostage police negotiators usually do not have the luxury offered by time to analyze cultural identities during a hostage situation, as they initially receive limited information about the protagonists in the incident. Further, the writers have termed as "cultural nimbleness" (Volpe and Cambria 2009: 128) the necessary proficiency that the second generation negotiators have to develop for taking advantage of cultural differences during negotiations, even in emergency situations. But how a second generation negotiator can reach the level of cultural nimbleness? As Volpe and Cambria (2009: 132) suggest he can practice the NYPD's hostage team motto: "talk to me." This motto directly connects us with the use of interest-based negotiation tactics of "open questioning" and "active listening" which transform culture and more importantly cultural differences in effective negotiation tools, opening the way to problem-solving approaches, and taking advantage of the creative invention of negotiation strategies.

You Need Your "Whole Brain" in a Negotiation (analysis + creativity)

When negotiators practicing «open questioning» and "active listening" they mainly engage their whole brain in a process of analyzing information, of using creativity innovatively, and of effectively control their emotions. But how the human brain operates on assisting them achieve their main negotiation goals of signing agreements and maintaining long-term relationships? Scientific research in 1950s and 1960s proved that our brain is separated in the left and right hemisphere. The first is analytical and the second is creative. As Peter Thomson (1998: 40) argues: "To communicate an idea effectively, you must use both the left and right sides of your brain in order to connect with the both sides of the listener's brain."

More importantly, by engaging his whole brain, a second generation negotiator can achieve his maximum persuasive potential for structuring and performing his negotiation strategies and tactics not only by logic and analysis, but also with the "metaphoric" reframing power of the oral communication (Thomson 2009: 40-41). On top of that, the engagement of his whole brain gives a second generation negotiator the capability to: "think strategically and act opportunistically" (Lax and Sebenius 2006: 253). By thinking strategically and acting opportunistically, the negotiator achieves his maximum performance and in comparison to a chess player he is "playing the finesse" (Karpov and

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

Phelizon 2006). Conclusively, from the above analysis it is becoming important for the second generation negotiator, to understand negotiation as a "game" of strategic interaction in which the engagement of his whole brain is becoming a given necessity.

The Game of Dominant vs. Dominated Strategies

Every day negotiation practice and relative theory suggest "strategy" as a series of decisions or a plan of steps or actions necessary for achieving specific negotiation outcomes. "Backward mapping" is the best example for perfectly explaining the role of strategy in the effectiveness of handling complicated negotiation situations with the participation of more than two parties. As David Lax and James Sebenius (2006: 235) strategically note: "to help organize the elements of your strategy, map backward from your target deal to the deal/no-deal balance that will most likely induce them[16]to make this choice, and then make your way back to the current situation." Further, by following a backward mapping strategy a second generation negotiator enhances the determination of his actions and the effectiveness of his decisions (Lax and Sebenius 2006: 235).

But what does a strategy affect a negotiation process? The interdependence of decisions exactly connects a negotiation process with the main requirements of a strategic game. From a strategic point of view, negotiation decisions, moves or actions on the table or away from it, not only interact through the parties involved in the process, but also cause positive or negative dynamics which formulate the final negotiation outcome. As Avinash Dixit and Barry Nalebuff (1991) observed, there are two kind of strategic interactions for strategic players (negotiators)[17]. The first kind is "sequential negotiation": "Each player, when it is his turn, must look ahead to how his current actions will affect the future actions of others, and his own future actions in turn" (Dixit and Nalebuff 1991: 33). On the other hand, the two writers observe and analyze the second kind of strategic interaction which is "simultaneous" and as they note: "The players act at the same time, in ignorance of the other's[18] current actions" (Dixit and Nalebuff 1991: 33). Further, the famous "prisoner's dilemma" is an example of a strategic dilemma in which the parties involved do not receive information about the decisions or actions of other parties involved or it is possible to change their perceptions by active deception. Finally, every day negotiation practice can effectively confirm prisoner's dilemma situations during negotiations[19].

More importantly, there is a clear distinction between sequential and simultaneous strategic interactions as in the first case you have: "to look ahead and reason back" (Dixit and Nalebuff 1991: 34). In that case, the structuring of a "decision tree"[20] can present a step by step approach to other party's possible decisions and moves and their interactive impact e.g. during a negotiation. Both strategic and game theorists argue that second-movers during a strategic interaction are in better position than movers who decide to move first[21]. As Anivash Dixit and Barry Nalebuff (1991: 30) declare: "Second movers maybe in the stronger strategic position.[22]"

On the other hand, in a simultaneous strategic interaction (negotiation) the second generation negotiator has "to see" through the other party's strategy and make decisions for his moves at the negotiation table or away from it. At this point, there is a clear distinction between dominant and dominated strategies and achieving an equilibrium situation during a strategic game or a negotiation process. The logic of the dominant strategy is that it works better for the party which chooses it, independently of the other party's strategic choice (Dixit and Nalebuff 1991: 61). Instead, for understanding the logic of a dominated strategy you have to see it in relation with a dominant strategy. "Just as a dominated strategy is uniformly better than every other strategy, a dominated strategy is uniformly worse than some other strategy " (Dixit and Nalebuff 1991: 67).

But what do happen in a negotiation if we consider it as a strategic game, in which the parties involved, choose to take advantage of their dominant strategies, which independently serve their best interests? In a negotiation situation like that, neither party wants to move from his position (positional bargaining) and the consequence for the process is a cost and time consuming stalemate. On the other hand, strategic theorists and analysts argue for a combination of strategies "in which each player's action is the best response to that of the other" (Dixit and Nalebuff 1991: 76). Both writers have called this situation of combined strategies as "equilibrium." In that sense, the goal of achieving equilibrium in a strategic game wears the same logic for achieving the best possible outcome in a negotiation. The best tactic for a second generation negotiation to achieve the utilization of combined strategies is to challenge the

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

creative engagement of the parties involved, at the negotiation table, away from it and by using innovative deal design. Finally, the constructive engagement of the parties is at the core of the so called: 3-D Negotiation method.

The Contract as a Power Tool

The 3-D Negotiation method has developed by professors David Lax and James Sebenius at the Harvard Law School and emphasizes on:

a. The parties involved in a negotiation (through analyzing the process of the negotiation).

b. The value of the agreement (based on the effective structuring of the agreement and the mutual maximization of its negotiation value).

c. The architecture of the agreement (engagement of the right parties, with the proper interests in the right sequence, within an agreed process of negotiation options). (Lax and Sebenius 2006: 19).

As Peter Thomson (1998: 164) accurately notes: "The real base of the relationship is trust." Thomson explains particularly the central real life necessity for parties in a negotiation to remain connected after the signing of the agreement. Trust is also the base for negotiation parties to be open, flexible and creatively face sudden changes and unpredictable developments in the future. Conversely, if trust is the base for a future cooperation relationship, how can the achievement of trust be the main objective for a second generation negotiator? The answer lies on the effective negotiation of the "spirit of the deal" (Lax and Sebenius 2006: 164). The spirit of the deal contains a "social contract" which answers the "what" of a negotiated agreement (underlying social contact) and the "how" of the same agreement (ongoing social contract). Both dimensions represent the social expectations of the contract (Lax and Sebenius 2006: 164).

The "underlying" and the "on going" dimension of the social contract are directly related to the parties' perceptions about the effectiveness of their agreement in the future. They are also directly related with the second dimension of the 3-D Negotiation method which deals with the creative structuring of the contract based on the engagement of the right parties, with proper interests in an agreed negotiation process, by following an appropriate sequence of decisions and actions, according to a pre-arranged backward mapping strategy[23].

More specifically, the underlying social contract describes the achievement of realistic objectives, such as the real nature of the agreement, its purpose, and its scope and duration. On the other hand, the ongoing social contract outlines a series of continual actions, such as the process of consultation, the mechanisms of decision making and the organization of dispute resolution mechanisms. Following the same logic the ongoing social contract describes the processes of effective reevaluation and renegotiation of a signed agreement (Lax and Sebenius 2006: 169-171). It is obvious that both dimensions of the social contract contain the potential for achieving a long-term relationship in business cooperation or conflict resolution. On the other hand, it is also obvious that the same two dimensions of the social contract have different interpretations or operate in different processes or sequences depending on cultural differences between the parties in a negotiation, their different or common interests, and their inclination toward positional bargaining.

On the contrary, as Jeswald Salacuse (2003) suggests, a long term relationship should be based on effective communication, mutual commitment, reliability resulting from trust and mutual respect. On the other hand, if negotiators maintain a short-term focus without incorporating future concerns and possible uncertainties, they consider negotiation as a micro optic process, neglecting its broader scope of long-term interests and human relationships. In this case, negotiators turn to be more egocentric making themselves prisoners of their short-term earnings, against more profitable future arrangements and rewards (Bazerman and Watkins 2004).

Finally, a "power tool" contract confirms the usefulness of negotiation power through its social dimensions, rather than the cost attractive "letter of the deal.[24]" More importantly the logic of a contract as a "power tool" manages to convince the other side: "negotiating power means the ability to influence or move the decisions of the other side"

Negotiation: The Challenge of Achieving a Long-term Relationship

Written by Nikos Chatzis

(Salacuse 2003: 206). In a second generation negotiation framework the "lamb" by taking advantage of its negotiation power is capable to win the "lion" in the environment of a "socially sensitive" contract. The fulfillment of that goal sets the most ambitious challenge for the second generation negotiation teaching.

Putting the 3–D Negotiation Method in Teaching Practice

Given the fact that the 3-D Negotiation method is practically based on active research about the parties and their interests in a negotiation, the method contains the necessary theoretical and practical background for challenging the active curiosity[25] of students. By using systematic personal research and careful examination of facts a second generation negotiator can take a real advantage of the 3-D Negotiation method by doing "his homework" away from the negotiation table and prior to his active engagement in the negotiation process. By focusing on his research the 3-D Negotiator aims to engage the right parties by changing the "setting" or "environment" of the negotiation. On the other hand, right parties may be unseen at the beginning and they have to be positively motivated by their interests to engage in a negotiation. The main difference with the first generation negotiation approaches is that the effectiveness of the 3-D Negotiation method is usually met at the negotiation table, although we are working on it at a prior stage: "[3-D] Negotiation involves moves away from the table to set up the most promising situation once you are at the table" (Lax and Sebenius 2006: 12).

First of all, we have to follow the motto that "we teach as we negotiate" and pay attention on the training effort to challenge students' curiosity. But how can we define curiosity? Chris Gurthie (2009: 65) focuses his attention on using a definition about "task curiosity" as it is defined by Kashdan and Fincham. So, with the term "task curiosity" we pay emphasis on a special type of training curiosity which is enhanced by a temporary subject's interaction with its environment. In that logic "task curiosity" is defined as: "a temporary state evoked by an ongoing internal or external activity, implying a transaction between the person and environment" (Kashdan and Fincham 2004: 483).

Secondly, an effective training activity has to meet the challenge of offering to negotiation students a real learning experience. At that point a second generation negotiation instructor has to really question himself about the effectiveness of traditional role-playing in negotiation teaching. Is it role-playing enough for teaching real life negotiation situations? Is it real? Is it kinesthetic, visual or auditory? Which is the alternative learning experience that a second generation negotiation instructor has to design? On top of all questions, we can say that an adventure learning approach is more current in creating an environment of task curiosity, against the traditional role-playing in negotiation teaching. Nadja Alexander and Michelle Lebaron (2009: 186) have effectively noted the crucial advantage of adventure learning: "Like role-playing, it offers participants the opportunity to participate in experiences followed by a period of reflection. But there is an important difference: the experiences offered by adventure learning are well beyond anything experienced during role-plays. They are real." On top of that, we can engage students in an alternative learning experience by instructing them to design their roles, after their adventure learning experience in a field of their negotiation preference. Druckman and Ebner (2008) suggest that the engagement of students in the writing of negotiation role-plays. But is this action creative? Or does it contain a kinesthetic requirement to the advantage of students? Can we discuss it in terms of a mental rehearsal situation for achieving peak performance by the students? "In this context, "mental" refers to whole-brain engagement in imaginal activities. In educational settings, too, visual, auditory, affective, kinesthetic, olfactory and gustatory cues can be called upon in creating desired situations in the mind" (Alexander and Lebaron 2009: 189).

Last but not least, students can "free" themselves by participating in an adventure learning activity based on their negotiation preferences and practice active learning. In this sense, active learning according to Melissa Nelken and her colleagues (2009) is an invaluable training activity as it engages students in active questioning, learning and responding. Additionally, active learning connects students with the teachers' logic of "you teach as you negotiate" with a given emphasis on interests, positions, effective management of emotions, cultural differences and actual strategy development. As they prepare their role-play students are actually engaged in 3-D Negotiation practice by analyzing their adventure learning experience.

Finally, the 3-D Negotiation method challenges negotiation instructors "to teach as they negotiate" by practicing the whole "toolbox" of its theoretical and practical aspects. Students on their part are becoming challenged by their own

Negotiation: The Challenge of Achieving a Long-term Relationship

Written by Nikos Chatzis

real learning activity on designing and then playing their own role, as they return in class. At the final stage of the training activity, students are playing their roles in a team setting and the instructor debriefs the whole learning experience based on his note-taking during the training process. The practical steps for designing a real learning activity are the following:

-The instructor presents and analyzes the 3-D Negotiation method.

-Students are practicing active questioning and listening for choosing their roles in a 3-D framework.

-Students are organized in teams according to their roles in an adventure learning activity.

-Each student selects his personal role, based on his personal negotiation preference.

-Students are designing their personal set of questions in a 3-D Negotiation framework (Lax and Sebenius 2006: 34).

-Students are instructed to pay attention on their personal active questioning, listening and responding during their real learning experience (e.g. if they want to play the role of a businessman who produces cars in a team negotiation setting they visit a car industry and practice the questions and responses of their personal interest).

-Students return to class and they evaluate their field work preparing their roles.

-Students play their roles in a team setting in a 3-D framework.

-The instructor offers a final debrief with a given emphasis on effective handling of interests, emotions and strategies toward the aim of achieving a long-term relationship.

Conclusion

The 2.0 negotiation training activity offers to students a realistic challenge to get experience by practicing in a 3-D Negotiation framework. Fundamental importance is given on their role-playing design for using their interest to arrive in long-term cooperation relationships. The detailed analysis of students' interests by active questioning and listening, their challenge to manage their emotions, and the use of innovative strategies for designing their role-play and during the training negotiation process, are at the core of the above training activity. Further, the instructions to use culture as "an effective negotiation tool[26]" and to design innovative strategies for achieving "negotiation equilibrium" do structure a 3-D road map based on real interest analysis for arriving in long-term relationships by creating lasting value.

On the other hand, every negotiation has a realistic unpredictable character, but the second generation negotiator has his strategies and tactics aiming at concluding in innovative agreements based on long-term mutual cooperation.

Nikos Chatzis is an negotiation consultant and expert in geopolitics. He is the founder of the websites www.negotiation.gr and www.globalnewspointer.net.

Notes

[1] Greece's huge external debt putted the country in a defensive position against the rest of EU's member-countries during the European Summit in December 2009. The negative macroeconomic factors in the Greek central budget had contributed mainly to a lack of trust in the long-term relationship between Greece and its European partners.

[2] The U.S. Kraft Food's hostile bid policy made British chocolate producer Cadbury's shareholders and workers to reject Kraft's final take over bid, as their future became uncertain.

[3] I am following a step by step approach for describing the basic elements of negotiation as they have an important

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

role in the whole process.

[4] Negotiations in which there is a potential for the parties' interests to be integrated in ways that create joint value or enlarge the pie. Integrative negotiation is possible when the parties have some shared interests or opportunities to realize mutual gains through trades across multiple issues. (Jossey-Bass 2001: 31).

[5] As Howard Raiffa suggests in the Art and Science of Negotiation, we can also take advantage of the complexity of a real situation during a negotiation and use that complexity for softening the bargaining dynamics of the process. The "key element" of such a strategy is the fact that because of the complexity, the other side at the negotiation table does not have a clear picture of its interests and about our interests.

[6] The core idea of an interest-based leadership approach in a negotiation is that the other party will follow you, if it is convinced that this decision perfectly serves its interests and negotiation goals.

[7] Open-ended questions, are questions which challenge the other side to respond in detail e.g. "Why?" "Why not?" Or "what if we did it this way?" (Lax and Sebenius 2006: 208). Our aim is to make them answer an open-ended question.

[8] "After you ask, really listen. When you start making proposals, listen to their objections." (Lax and Sebenius 2006: 208).

[9] "An approach to negotiation that frames negotiation as an adversarial, zero-sum exercise focused on claiming – rather than creating – value. Typically, one party will stake out a high (or low) opening position (demand or offer) and the other a correspondingly low (or high) one. Then a series of (usually reciprocal) concessions are made until an agreement is reached somewhere in the middle of the opening positions, or no agreement is reached at all." (Patton 2004: 288).

[10] "Negotiations in which there is a potential for the parties' interests to be integrated in ways that create joint value or enlarge the pie" (Jossey-Bass 2001: 31).

[11] The previous paragraph refers to "their emotions."

[12] This is a reference to the second generation negotiator who bases his negotiation behavior on the first generation negotiation theory and practice based on parties, positions, interests and emotions.

[13] I am referring to the culture's role in the frame of the negotiation process.

[14] The role of culture is important in business deal-making and conflict resolution by bridging different behaviors expressed by emotions based on different perceptions of facts, and finally representing different interests.

[15] We can define "tradeables" as set of ideas or actions which are mainly expand the effectiveness of a negotiation process by offering solutions, products, or services outside of our initial negotiation scope (Chamoun, Hazlett 2009).

[16] The writers refer to other parties participating in a negotiation.

[17] At this point based on the seriousness of positive or negative interaction dynamics during a negotiation process, I consider the second generation negotiator, as a "strategic player."

[18] The writers refer to the other party in a strategic interaction.

[19] I refer to negotiation situations in which by intention one party doesn't receive information about the decisions or actions of the other party or parties involved or by an attempt of deception receive(s) limited information.

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

[20] For the purposes of my analysis a forward mapping plan can operate as a "decision tree" during the preparation or the active stages of a negotiation.

[21] The party which moves second has the strategic advantage to observe the move of the party which moves first and adapt its moves or actions.

[22] Depending on the nature of the negotiation process, the first mover during a negotiation can return back by using the "midpoint rule". In this case, the party which moves first has a tactical advantage, depending on the reaction of the second party, after the first party declares a proposal by using the midpoint rule.

[23] At this point, innovative strategic options mainly connect backward mapping with the essence of the 3-D Negotiation process.

[24] I refer to the terms of a contract and their legally binding character.

[25] I use the term "active curiosity" for describing the challenge of their real interest to learn.

[26] I refer to an international negotiation class or a class which visits a foreign country.

References

Alexander, N., and M. Lebaron. 2009. Death of the role-play. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Bazerman, H. M., and M. D. Watkins. 2004. *Predictable surprises: The disasters you should have seen coming and how to prevent them. Boston MA: Harvard Business School Publishing.*

Bernard, E. P. 2009. Finding common ground in the soil of culture. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Brown, J. G. 2009. Addressing partisan perceptions. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Chamoun, H. and R. Hazlett. 2009. The psychology of giving and its effect on negotiation. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Dixit, K. A., and B. J. Nalebuff. 1991. *Thinking strategically: The competitive edge in business, politics, and everyday life.* New York: W. W. Norton & Company, Inc.

Druckman, D. and N. Ebner. 2008. Onstage behind the scenes? Relative learning benefits of simulation role-play and design. *Simulation and Gaming 39(4): 465-497.*

Fisher, R., and W. Ury. 1981. *Getting to yes: Negotiating agreement without giving in.* New York: Penguin Books.

Fox, H. K. 2009. Negotiation as a post-modern process. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Guthrie, C. 2009. I'm Curious: Can we teach curiosity? In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Karpov A., and J. F. Phelizon. 2006. *Chess & the art of negotiation.* Westport CT: Economica.

Negotiation: The Challenge of Achieving a Long-term Relationship
Written by Nikos Chatzis

Kashdan, T. B. and F. D. Fincham. 2004. Facilitating curiosity: A social and self-regulatory perspective for scientifically based interventions. In *Positive psychology in practice,* edited by P. A. Linley and S. Joseph. Hoboken: John Wiley & Sons, Inc.

Lax, A. D., and J. K. Sebenius. 1986. *The manager as negotiator: Bargaining for cooperation and competitive gain.* New York: The Free Press.

Lax, A. D., and J. K. Sebenius. 2006. *3D negotiation: Powerful tools to change the game in your most important deals.* Boston: Harvard Business School Press.

Mnookin, R. H., S. R. Peppet, and A. S. Tulumello. 2000. *Beyond winning: Negotiating to create value in deals and disputes.* Cambridge, MA: Belknap Press.

Moffitt L. M. and Bordone C. R. eds. Handbook of Dispute Resolution [Program on Negotiation/Jossey-Bass, 2005], 280) Available at :http://www.pon.harvard.edu/glossary/position/ (Last accessed Dec. 19, 2009).

Nelken, M., B. McAdoo and M. Manwaring. 2009. *Negotiating learning environments.* In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Patton, B. 2004. *Building relationships and the bottom line: The circle of value approach to negotiation.* Boston MA: Harvard University Press.

Raiffa, H. 1982. *The art and science of negotiation.* Cambridge, MA: Belknap Press.

Salacuse, W. J. 2003. *The global negotiator: Making, managing, and mending deals around the world in the twenty–first century.* New York: PALGRAVE MACMILLAN

Salacuse, W. J. 2006. *Leading leaders: How to manage smart, talented, rich and powerful people.* New York: AMACOM

Stone, D., B., Patton, and S. Heen. 1999. *Difficult conversations: How to discuss what matters most.* New York: Viking Penguin.

Thomson, P. 1998. *Persuading Aristotle: The timeless art of persuasion in business, negotiation and the media.* Australia: Allen & Unwin.

Volpe, R. M., and Cambria J. J. 2009. Negotiation nimbleness when cultural differences are unidentified. In *Rethinking Negotiation Teaching: Innovations for context and culture,* edited by C. Honeyman, J. Coben, and G. De Palo. Saint Paul, MN: DRI Press.

Ury, W. 1991. *Getting past no: Negotiating in difficult situations.* New York: Bantam Dell.

Ury, W. 2007. *The power of positive no : Save the deal save the relationship –and still say no.* New York: Bantam Dell.

Watkins M. and Rosegrant S. Breakthrough International Negotiations [Jossey-Bass, 2001], 31) Available at:

http://www.pon.harvard.edu/glossary/integrative-negotiation/ (Last accessed Dec. 19, 2009).