

ENGLISH LANGUAGE NEGOTIATION SKILLS DEVELOPMENT

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Abstract

Training programs on negotiation uses a wide range of professional experiences in preparing lawyers, managers, bankers and diplomats to employ key tools and competencies in negotiating with difficult opponents. Human Resource departments at serious organizations identify weaknesses in their employees' negotiation skills profiles and actively offer professional trainings, through which they may pursue the enhancement of the skill sets needed for organizational success in business discussions. The most common lacks in employees are 1) an understanding of the stark differences in levels of negotiation competence and 2) how to negotiate in English. This paper explores factors HRM should consider in tailoring trainings in response.

1. Introduction

Since the mid-1980s, individuals from the highest ranking executives to the newest first year MBA students have been learning negotiation skills chiefly through workshops and courses involving simulations, i.e. mock negotiating situations. During these exercises, the participants experiment with new negotiation techniques and strategies, which they are then expected to integrate into their professional business activities, either immediately or once gainful employment has been obtained. Indeed, negotiation researchers have developed hundreds of simulations, which often are based on real cases, to teach important negotiation concepts. Both instructors and researchers have established that getting such learners involved in hands-on exercises in a low-risk setting is an ideal way for present and future managers to master new negotiation skills (Malhotra & Bazerman, 2008). However, negotiation simulations are successful only when learners dedicate themselves fully to the learning process. Too many trainees resist this active approach to learning, preferring instead to remain passive learners, listening to instructors and perhaps taking notes. Juhász (2013) has explored the importance of performance appraisal and motivation in management.

While research demonstrates that such managers are not doing themselves or their employees any favors by taking the easy way out, one cannot ignore the principal problems such business leaders have in opening up to mock situational learning: from such a manager's point-of-view, the question persists as to whether it is realistic to expect employees to learn from negotiation simulations and to transfer their new knowledge to real-world problem solving. Secondly, the question is posed as to how management and employees alike can get the most out of negotiation training sessions. Human resource departments are often the lynchpins to the introduction of such training programs at organizations and it is up to their managers to ensure that decision-makers understand the rationale behind negotiation simulations and are informed about the deep learning that can occur when participants fully engage in the mock negotiation simulation process. Dajnoki (2013: 103) argues that it is "absolutely necessary" in

order to have an “effective and successful organization, that the employees possess appropriate competencies.”

2. Why negotiation?

Negotiation is a complex mix of cognitive reasoning and communicative abilities, which require practice to hone into a successful tool to further professional and organizational goals. Negotiation is also appreciated by e.g. HRM to be a core workplace competency. Workplace competencies refer to a set of skills that are complementary to academic or more technical skills. Employers give weight to these skills in hiring decisions and more generally such skills appear to be required for workers to function effectively within the new organizational structures adopted by leading-edge firms. Economic developments and the demand for a highly skilled workforce, as brought to bear by the pressures of the knowledge-based economy, only sharpen the need of HR management to find already workplace-competent employees.

This explanation is consistent with the literature. Reich’s (1991) definition of knowledge workers refers to the ability for problem-identifying, problem-solving and strategic brokering capabilities. A main characteristic of knowledge workers, apart from having higher education degrees, is their direct connectedness to and reliance on IT systems and solutions in conducting their daily activities. Less important in many cases is the subject area knowledge they bring to their organizations from formal education; the more imperative skills such employees bring to their workplaces include an ability to conceptualize problems and solutions. Reich argues that organizations should focus on the development of four basic skills: abstraction, system thinking, experimentation and collaboration. In other words, even twenty years ago, before the days of handheld ‘smart’ devices and tablets and laptops, workplaces were requiring some of the most integral skills used in negotiation, even for those employees who would not be thus utilized. Regardless of their formal fields, these IT-connected employees are also known as knowledge workers.

Knowledge workers are more likely than other workers to use cognitive, communication and management skills (Béjaoui, 2000). These are some of the skill domains frequently identified for those working in a knowledge-based economy. Moreover, most of these workplace competencies have developed from new work organization practices brought about by technological and IT advances in the past several decades. Economic crisis and innovation in management concepts and work organization have also contributed to the restructuring of the workplace. Changes include job rotation, team-based work organization, greater involvement of lower-level employees and compacted management structures. Some analyses have found that, with new work organization practices being brought to bear, the use of different workplace competencies increases (Green et al., 2000).

The appearance of the knowledge-based workplace environment was complemented by more demands for competencies specifically needed to cope with the new changes managements were implementing: the workforce’s ability to function in an uncertain and ever-changing environment, the aptitude to successfully handle non-routine and abstract work processes, the ability to make decisions and accept the corresponding responsibilities, the ability to harmoniously function in group and interactive work situations and to support system-wide interpretations and standards (Compare Bertrand et al., 1997). The study also advocated the

need for improved interaction and communication skills for all workers, thus promoting strong capabilities for them to work in group situations and to provide more workers with high levels of specialized professional expertise and entrepreneurial skills, especially among middle-level professional and managerial personnel.

In considering the importance of developing employees further, in order to remain competitive in the knowledge society, it is important to take account of the fact that such workers are often expected to do more than simply carry out a set of prescribed tasks. This demand relates not only to the innovation capacity of new employees, but also to the ability of HR and management as a whole to create an environment in which knowledge production and diffusion are optimized and to implement innovation in their own work in HR, as well as in their organizations as a whole. Indeed, new employees who possess a high degree of innovative capacities, creativity, curiosity and a willingness and ability to question the status quo can directly contribute to the development of new knowledge and ideas for the organization to use. Moreover, since not all innovations need to be developed within an organization itself, graduates can contribute to innovation by gaining access to new ideas developed elsewhere. Since even the greatest ideas rarely implement themselves, an ability to take an idea from the drawing board to the work floor requires a high degree of organizational abilities, negotiation skills and assertiveness.

Globalization and the opening of national borders to workers from increasingly more nations increase the significance of an organization to have a strong international orientation. This need requires not only employees with a strong command of foreign languages; more importantly, they must also possess an ability to understand and empathize with counterparts from other cultures. (Compare Fritz, 2010) Organizations must cultivate an in-house culture which facilitates in its employees a willingness and ability to further maintain and develop their English language and intercultural competencies, by making workers cognitively receptive to accepting the parity of the importance of English language command with the employees' command of their areas of expertise in guaranteeing task fulfillment by contractors or negotiating in considerably stressful situations using English as the language of communication. Indeed, without the honing of the requisite linguistic skills needed for effective and successful English negotiation, business opportunities may be lost or even left unexplored through misunderstanding, failure to understand or downright incompetence.

There are many dimensions on which the characteristics of the worker can be matched with the requirements of a job. There is of course the level and the field of education that the job requires and that the worker has acquired at school or by training. But level and field of education are only two dimensions or rather approximations of the many different cognitive skills that might be required for a job. Besides cognitive skills a job also demands non-cognitive and 'soft' skills such as interpersonal skills, persistence and communication skills. These skills cannot always be objectively measured.

In the recent human resources literature, the term 'competence' is often used to denote the combination of knowledge, skills and behavior needed to improve the performance of a worker on a job. A perfect match in terms of competence would occur when the worker has the exact right combination of knowledge, skills and behavior to get maximum performance on a job. What is interesting about the term competence is that it stresses that the perfect match arises from a combination of characteristics. A worker has many characteristics. Some of these will weaken and others will strengthen one's performance on-the-job. Sometimes,

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strong characteristics will compensate for weak ones, but not always. Also, workers will grow into the job, over time or the specific requirements of the job will over time be adjusted to the competences held by the worker.

Worker competencies are those talents, skills and capabilities that contribute to multi-factor productivity gains and which are key for the sustainable economic growth and development of an organization (Hartog, 2001; Sianesi & Van Reenen, 2003). Heijke et al. (2002) distinguish three groups of competencies: those acquired in school and are then used in the workplace; those acquired in school, which assist workers to gain new competencies on-the-job; and those acquired mainly in a working context. Kellermann (2007) classifies competencies into five groups: academic, general-academic, scientific-operative, personal-professional, social-reflexive, and physiological-handicraft. Bunk (1994) aggregates these competencies into four different groups: specialized, methodological, participative and socio-individual. Other classifications are added depending on the data available (Allen & Van der Velden, 2001). Thus, there is no general agreement about competency classifications, and economic theory does not provide any clear categorization.

Organizational competencies refer to the ability to work under pressure, to work independently and with attention to detail. Specialized competencies require an ability to carry out activities and tasks responsibly and competently and presume that the specialized individual possesses the required knowledge and skills to successfully do so. Methodological competencies include the ability to react to problems appropriately, using proscribed procedures and being able to find functional solutions to problems, based on experience. Generic competencies may be applied in many different contexts. Such competencies include critical thinking skills, as well as (in)formal communication skills. Participative competencies include those involving planning, accepting tasks in a positive manner, decision-making and even the willingness to assume responsibilities. Team-oriented behavior and interpersonal empathy belong to the sphere of socio-emotional competencies.

A 2013 published protiviti survey specifically identified key workplace skills requiring immediate improvement, such as “persuasion, negotiation and dealing with confrontation” (protiviti, 2013: 3). Survey respondents reported that the skill of negotiation “represents a way of improving working relationships and heightening credibility with other parts of the business” (28). Not only is there no difference in the high priority given to the need to improve negotiation skills in employees, regardless of company size (see table on p. 35 of the survey), but the survey’s results also identified negotiation skills development as one of the key issues targeted by corporate Chief Audit Executives as vital for enhancing organizational strength and competitiveness in the immediate future. Across the board, whether on the level of office employee, internal auditor, HR manager or executive, improvement of negotiation skills through further training are rated highly as crucial to business success.

3. From Weakness to Strength: Identifying Negotiation Skill Problems

How should HRM assist organizations in developing negotiation skills in employees? As there are stages of the development of any proficiency, research and practice both classify aptitude in negotiation ability at different levels, although not always formally. Generally speaking, there are five groupings of abilities which can illustrate the level of proficiency at negotiating of any professional individual. These levels may be termed Awareness, Basic, Intermediate, Advanced

and Expert. Below, note the definitions of each level, as well as examples of what each level actually mean in real life terms, and how these examples pinpoint where effective training can produce excellent outcomes in employee development. For each level, HRM should audit employee English competencies and act on the obtained results:

Awareness Level:

- This level is best defined as whenever an employee's competency in negotiating has yet to be tested outside of a classroom. In other words, such an individual could only handle the simplest negotiation situations, such as with co-workers about dividing task assignments.
- This employee's English knowledge is good, but not necessarily in stressful situations, where linguistic breakdown may occur
- Such an employee should only negotiate with those outside the organization under close and careful supervision.
- For employees on this level, HRM can justify the use of resources to invest in training and development in both English and negotiation skills, as failure to do so could eventually affect work performance, the organization's reputation, as well as profit-making ability.

Basic Level:

- This level is best defined as that of a false beginner. In other words, this employee type has some negotiating experience over the phone, in dealing with issues of already agreed, standard company terms. No negotiation experience exists in new contract creation or gaining new business partners, suppliers or business conditions.
- Such an employee should only enter into new types of negotiation scenarios with frequent guidance, i.e. an experienced team partner who preapproves strategies and restricts this employee's freedom to make own decisions during the negotiation process.
- This employee still shows some uncertainty in English language use and body language, and is unsure in stressful situations of how to proceed. These behavioral problems require HRM to place this employee in training programs, in order for him/her to overcome these deficiencies.
- For employees at this level, HRM would set guidelines with department management for introducing such employees to team-led strategic meetings, assigning pre-negotiation information gathering tasks and for ensuring the employee has a solid command of the organization's business directives and standards, as apply to negotiating specific types of contracts. Feedback from team members on the employee's performance should be sought, analyzed and acted upon.
- In the absence of such guidelines, HRM should ensure their creation and establishment.
- Again, HRM should ensure resources are made available for investing in the training of such employees in maintaining and strengthening their command of English, as well as handling stressful business communication situations.

Intermediate Level:

- This level is best defined as that of an employee who has served as a trainee or adjunct in negotiation teams, undergone negotiation training in English, and can now handle difficult English language negotiation situations as a part of a team.

- This type of employee may negotiate alone or without guidance, even though this employee is not yet working in a decision-making position, as long as management makes clear to him/her their scope of authorization in the actual negotiation to be held.
- This employee knows, however, how to build trust among negotiating teams, even with opponents.
- This employee understands the necessity to get management approval for inter-negotiation decisions and how to develop a negotiating strategy alone, as this employee thoroughly understands the organization's standards, processes, requirements and bottom line.
- This employee commands an understanding of the organization's sector, strengths and weaknesses, as well as the competition and knows how to utilize this knowledge in negotiating.
- This employee can represent the organization in negotiating with other companies, e.g. suppliers and contractors and requires little feedback from management to be able to make the right decisions.
- This employee possesses excellent listening and communicating skills and competently uses empathy and aggressive posturing, as required.
- HRM should involve such an employee in activities which assess the employee's success in English language negotiation outcomes, which assess his/her superiors' opinions of the same, as well as which ensure that the employee's confidence is kept within safe and proper boundaries.

Advanced Level:

- This level is best defined as that of an employee who can be trusted to competently apply negotiating experience in considerably difficult situations, with little or no guidance.
- This employee's English is excellent and he/she uses it on practically a daily basis. This employee knows how to maintain his/her own English level.
- This employee knows how to confidently negotiate with leaders from other organizations, as well as within his/her own organization.
- This employee knows how to develop solid negotiation plans and to win over skeptics, even hostile opponents.
- This employee knows how to competently serve as a guide or trainer for less experienced negotiating colleagues.
- HRM should involve such an employee as a coach/trainer for in-house workshops. Yearly assessment of advanced English knowledge should be done, with language updating provided, as necessary.

Expert Level:

- This level is best defined as that of an employee who competently masters even the most exceptionally difficult English language negotiation situations and who can serve as a key resource and advisor to others throughout the organization in times of crisis which demand negotiation for problem solving.
- This employee often serves in a decision-making position.
- This employee knows how to clearly explain the most complicated subject matter in English to those whose English knowledge is much lower.

- This employee knows how to influence outsider decision-makers to achieve his/her own organization's substantive goals, even in English.
- This employee should be utilized by HRM to coordinate employee development strategies as a whole.

In closing, HRM should develop and utilize formal assessment programs to classify its employees' competency levels for both English language command and negotiation skills, and then act accordingly. Recently published surveys, highlighted previously in this article, prove that organizations and their leaderships recognize the need exists. What the classification presented above clarifies is how a single type of training program – as is often used for in-house trainings – would be neither effective, nor justifiable for ensuring HRM employee development goals. This is the case, as the distinctions revealed above make clear how varied employee needs can be. However, costs for such multi-tiered training programs can be held in check by using an organization's own more experienced employees to train less experienced ones, at least as concerns negotiation training. For the future, research will be required as to the effectiveness of such pilot training programs, as well as their impact on the bottom line.

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