

Personality Style Considerations in Effective Negotiation

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I. Introduction

Most buyers and supply managers have been trained in the processes and mechanics of commercial negotiation and have had a significant experience in applying the tools and techniques that they have been taught. However, most commercial negotiators (buyers and suppliers alike) have not been sufficiently trained to identify and take advantage of the innate personality characteristics and tendencies that all humans have. This session will provide insight as to how the different personality styles of negotiators can affect the outcomes and process of a negotiation. Several simple models are discussed that can be used to predict and identify the different personality traits and related negotiating styles for more effective negotiation preparation and execution.

It has been estimated that, even though most of us understand the basics of negotiation, 80% of us do not actually like to negotiate. In addition, we often perceive that we are better negotiators than we actually are, i.e., we tend to overestimate our personal effectiveness in achieving our desired outcomes in any given negotiation. Our supplier counterparts usually receive more negotiation training than we do, so they are better prepared and are often more effective.

II. Negotiation as an Interactive Process

The three most important activities in any negotiation are preparation, preparation, and preparation. Understanding the psychological underpinnings of human personality tendencies can help a negotiator minimize the potential negative impact of escalating emotions encountered in a typical negotiation and losing sight of your desired goals and objectives. In other words, you will become better prepared by considering the psychological aspects of negotiators. Research shows that better prepared negotiators usually achieved more favorable outcomes.

Negotiation has been defined as an interactive process during which all parties, having both common and conflicting interests, can propose and discuss specifics of a possible agreement that would make all parties better off than they would have been without such an agreement. In a negotiation, we all bring our personal psychological baggage to the table that sometimes clouds our ability to reason and evaluate information and proposals.

Kare Anderson (1993) has published a book, *Getting What You Want*, which describes a simple model called "Triangle Talk." Triangle Talk describes a three-pronged approach to any negotiation that helps the negotiator achieve his/her preferred outcomes. The first point is called "What You Want." Here, the negotiator specifies in writing exactly what he/she wants to have achieved after the negotiation is completed. Your memory is faulty and selective, especially when you become emotionally attached to the issues or positions in a negotiation. Identifying and formalizing What You Want allows you to focus on what is important to you before the emotion and anxiety of a negotiation are encountered. By having specific, written goals, you can avoid being surprised at the negotiating table, making unnecessary concessions on the outcomes you deem important.

Figure 1



The second point of the Triangle Talk process involves applying the same principles as above except that they are applied to anticipating “What They Want.” One of the most dangerous assumptions in any negotiation is assuming that the other party thinks like you do. They don’t! You are trying to find out their “hot buttons” and other relevant information by using active listening techniques. Using open-ended questions is the preferred mode of seeking the underlying interests that are behind the stated positions. You need to play detective like Columbo here, asking questions to seek more information or clarify your assumptions.

Nonverbal clues can also provide key information about what the other party really wants from a negotiated settlement. When analyzing nonverbal clues, the experienced negotiator looks for changes in behavior, voice, or body language, rather than trying to put meaning into them beforehand. It is usually the changes in behavior, voice, or body language, not the actual behavior itself, which signifies meaning. Another technique that works well is the strategic use of silence, much like the Japanese negotiator is famous for. Silence is usually uncomfortable, and the other party is likely to begin talking to fill the silent period, providing additional information that they may not have intended to divulge.

The third point of Triangle Talk, “Propose What They Can Accept,” means working toward satisfying all parties’ needs as identified in the previous two steps. Others have described this as win-win negotiation where both parties work together to achieve both sets of desired outcomes from a negotiation. In other words, you are giving the other party a reason to say “Yes” to your proposals. By addressing the other party’s needs first, a negotiator is solving the other party’s “What’s in it for me?” question. Value, commitment, and attention are created for both parties. Skilled negotiators can demonstrate their commitment to the negotiation by reviewing earlier successes and agreements. Positioning your desired outcomes in terms that the other party can accept makes it easier for them to agree with you.

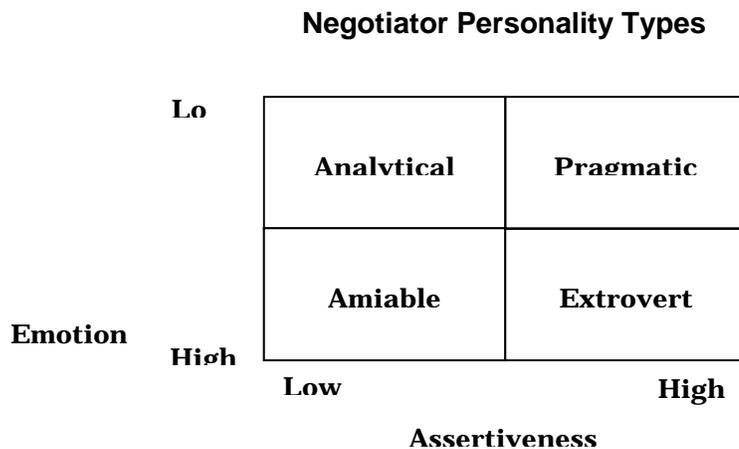
III. Negotiator Personality Types

In preparing for a negotiation, we need to understand the other party’s tendencies in a tense or pressure-filled situation, such as that encountered in a typical negotiation scenario. Negotiator personality types can be analyzed using two dimensions, emotion and assertiveness. Why is this important? The same negotiating approach may work differently with dissimilar people because of the innate differences related to our personality types.

Figure 2 is a two-by-two matrix that outlines the different negotiating personality styles as defined by emotion and assertiveness. A negotiator with low emotion focuses on facts and organization, while a more emotional negotiator will be oriented more towards feelings and relationships. Less assertive negotiators tend to have longer attention spans and are slow to decide. Assertive negotiators are

characterized by short attention spans, making snap decisions, and the ability and willingness to take charge.

Figure 2



a. The Analytical Negotiator. The analytical negotiator is positioned low on the emotion axis and low on the assertiveness axis. This type could also be described as the “beaver.” The beaver, or analytical, can be recognized by several personal characteristics. In the old days, these negotiators carried multi-scaled slide rules; now, they tote personal digital assistants or laptop computers. They are also very slow to decide on any course of action because they demand a high level of accuracy, and, therefore, they need lots of information before they’re comfortable with making a decision. The analytical negotiator is typically immersed in the details of a negotiation and tends towards such occupations as engineering, finance, and accounting.

In negotiating with a beaver, a negotiator must propose solutions and outcomes that answer the beaver’s question, “How has it been done before?” Beaver-style negotiators are thoughtful and highly objective, yet they tend to be overcautious. They are usually the most difficult type to get to decide because they never seem to have enough information. In addition, analytical negotiators are usually consistent and predictable.

b. The Amiable Negotiator. The amiable negotiator is also known as the “golden retriever,” high on emotion and low on assertiveness. The golden retriever, or amiable, negotiating style is typically a traditionalist who is very interested in developing and maintaining relationships between the parties. They hate high-pressure tactics and avoid conflict situations whenever possible. This is the type of person who would turn himself or herself in to the F.B.I. if they accidentally removed a tag from a mattress.

A golden retriever negotiator is oriented towards cultivating interpersonal relationships because he/she values loyalty, sensitivity, and patience. Occupation-wise, the amiable negotiator can be characterized as a “company-man” who is intensely loyal to the employer and takes personal offense to any negotiating tactic that would harm the organization and anyone associated with it. The negative side of a golden retriever includes the tendency to be impulsive and sentimental. Their credo is “Let’s keep things the way that they’ve always been.”

c. The Extrovert Negotiator. The extrovert negotiator could be described as the “otter,” high on both assertiveness and emotion. The extrovert, or otter, is very friendly and open. However, if the negotiation requires detailed follow-up, the otter-type negotiator is unlikely to be able to do this

successfully. The theme of the extrovert might be “Trust me, it’ll work out!” However, the extrovert is enthusiastic, visionary, and has the ability to motivate others.

Extroverts or otters gravitate towards jobs that require strong interpersonal influencing skills, such as sales, marketing, or public relations. They tend to value motivation and enthusiasm in both themselves and their coworkers. However, they are frequently considered too assertive or too impulsive as their assertiveness can quickly turn people off or create conflict. The otter is willing to say “No” if his or her needs are not adequately addressed.

d. *The Pragmatic Negotiator.* A negotiator with a pragmatic personality is high on assertiveness but low on emotion. The animal associated with a pragmatic negotiator is the “lion.” The lion negotiator is very business-like and efficiency-oriented. All thoughts are focused on the bottom line. The pragmatic can be recognized by the use of organizers and formal behavior.

Pragmatics, or lions, typically become senior managers or executives because of their ability to achieve results. The lion is a confident leader who is goal driven and results oriented. They are likely to have their calls screened because they don’t like to waste time with unimportant activities. Personally, they actively participate in sports and other activities where they can compete. The primary negatives of this personality type are that they are perceived by others to be out of touch with the rest of the world and that they operate under unrealistic time horizons.

e. *Dealing with Different Personality Types.* Usually one personality type is predominant in a negotiator, although some negotiators display two dominant types. However, an effective negotiator recognizes the characteristics of each type and is able to role play and assume the necessary personality type appropriate for the conditions found in a given negotiation.

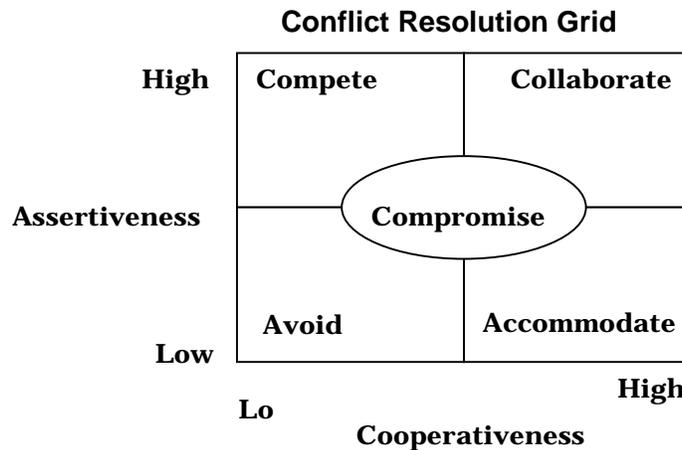
In this model, opposite corner personality types frustrate each other because the very things that each type values is absent in the other party. For example, extrovert negotiators, or otters, frustrate analytical negotiators, or beavers, because the beaver wants to discuss details while the otter says not to sweat the details. Likewise, amiable negotiators, or golden retrievers, frustrate pragmatic negotiators, or lions, because the lion feels that the golden retriever is too “soft,” and the golden retriever is too stressed by the lion’s unwavering focus on the bottom line.

Each personality type most prefers to negotiate with others of the same type because they value the same things. However, since personality types on the same axis share some similar traits, they can negotiate with each other with only minor frustrations based on personality type. For example, the following pairs of personality types fit into this category: analytical-pragmatic, pragmatic-extrovert, extrovert-amiable, and amiable-analytical.

IV. Conflict Resolution Grid

Another method for effective negotiators to use to analyze the psychological aspects of negotiation is a model called the Conflict Resolution Grid. Figure 3 outlines the various components of the Conflict Resolution Grid that is the result of widely accepted research conducted by Kenneth Thomas (1976).

Figure 3



Here, behavior by the negotiator, when confronted by a conflict situation such as a negotiation, is analyzed on two dimensions, assertiveness and cooperativeness. Assertiveness is the motivation of a negotiator to achieve his/her own goals, objectives, and outcomes in a given negotiation, while cooperativeness is the negotiator's willingness to allow or help the other party achieve its goals, objectives, and outcomes. Each of the five conflict resolution styles might be appropriate in a given negotiation based on the circumstances of the negotiation and the personalities of the participants.

a. *Avoiding Conflict Resolution Style.* The avoiding style is low on both assertiveness and cooperativeness. In other words, this negotiator is not very cooperative in helping the other party to achieve its goals, but neither is he/she aggressively pursuing his/her own preferred outcomes in the negotiation. This approach is much like an ostrich that sticks its head in the sand and hopes that the conflict just goes away. The original problem, conflict, or situation is never directly addressed or resolved.

However, avoiding behavior might be appropriate when the issue is trivial to you. It might also be an appropriate approach to use when there are no good solutions available to you or when a cooling off period is needed. It is not appropriate when the issue is important or when it is your ultimate responsibility for the outcome of the negotiation. It is also not relevant when the parties must come to an agreement because you do not become an active participant in the negotiation process. Because avoiding postpones addressing the problem, it is not appropriate when a prompt decision is necessary.

b. *Competing Conflict Resolution Style.* A competing style of resolving conflict is also known as domination or win-lose negotiation. A negotiator using this style of high assertiveness and low cooperativeness will seek to reach his/her own preferred outcomes at the expense of the other party. Traditional negotiation research refers to this as a fixed sum pie where the benefits of the negotiation are limited and cannot be expanded.

A competing behavior style can be appropriate when the outcome is trivial to the other party or when speed in decision-making is necessary. It can also be used to confront competitive or aggressive behavior on behalf of the other party. If the results of a poor decision are costly or otherwise important to you, then this style might be used effectively. However, if the issue is complex or if the two parties are relatively equal in power, then a competing style will not be effective. Also, if the other party is a skilled negotiator, then this style is inappropriate because he/she can easily see what you're doing and counteract it.

c. *Accommodating Conflict Resolution Style.* The accommodating style of resolving conflict is sometimes known as obliging. This style is characterized by high cooperativeness and low assertiveness. A negotiator using this style will subjugate his/her own goals, objectives, and desired outcomes to allow the other party to achieve its goals, objectives, and outcomes in the negotiation. This behavior can be used to build or maintain a relationship now in exchange for future consideration.

Accommodation is an appropriate style when the negotiator is not sure that his/her position is strong or when the issue is far more important to the other party than it is to you. If the long-term relationship is important to a negotiator, then it may be worthwhile to give up a few short-term concessions to gain even greater paybacks from the relationship in the future. However, this is not an appropriate behavior to use when you know you are right and when the other party is either wrong or unethical. If it is used in this instance, the unethical behavior of the other party is allowed to continue and will adversely influence future relations between the parties.

d. *Compromising Conflict Resolution Style.* Intermediate levels of both assertiveness and cooperativeness characterize the compromise style of conflict resolution. Compromise can also be referred to as either bargaining or trading and generally produces less-than-optimal results in a negotiation. It often occurs towards the end of a negotiation because it becomes a “fall-back” position when one or more of the other conflict resolution styles fails to work as expected. The major negatives of compromise are that the negotiators need to be aware of the natural give-and-take rhythm of a negotiation and that there is often little apparent creativity exercised.

Compromise may be appropriate when there is little or no common ground between the negotiating parties, i.e., it can be effectively used when the possible outcomes of each party are mutually exclusive of each other. It can also be effective when the parties are similar in power or when no consensus has been reached. Compromise is not appropriate when the parties are characterized by differences in power or when the negotiation is a complex problem that might require a problem-solving approach.

e. *Collaborating Conflict Resolution Style.* This approach, high on both the assertiveness and cooperativeness axes, is often described as integration, creative problem-solving, or win-win negotiation. This is true “process” negotiating because the parties are creatively working towards achieving the goals, objectives, and outcomes for all parties involved. Collaboration is not soft negotiating; soft negotiation would better describe the avoiding or accommodating styles instead.

Collaboration is appropriately used when the negotiation issues are complex and a creative or novel synthesis of ideas is required. It is also effective as a consensus or commitment development tool when implementing the terms of the negotiation agreement that may require significant effort on the part of all the parties. However, the downside is that the process of reaching collaboration mandates sincere effort by the parties, requiring a lot of time and psychic energy to reach that consensus. Most negotiators don't do this well.

Use of the collaborating style is not appropriate when the problem is simple because the outcome may not be worth the necessary time and effort to achieve consensus. Because of the extensive time factor involved, it is not effective when an immediate solution is required or when the parties do not have sufficient problem-solving skills. However, it is an excellent negotiating style when all parties to the negotiation have a history of long-term, trusting relations.

V. Conclusion

Depending on the specific negotiating situation, the other negotiator's personality style, your desired outcomes, and the time available, any of the five conflict resolution styles may be appropriate and effective. The key to becoming more prepared is to understand the advantages and disadvantages of each style in the context of a given negotiation and the personality styles of the negotiators sitting

across the table. Before your next negotiation, formalize your own goals, objectives, and preferred outcomes, try to typecast the other negotiating party, anticipate their probable negotiating style, and consider how you can position your goals, objectives, and desired outcomes so that the other party can accept them.

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