

Negotiation Styles - Similarities and Differences between American and Japanese University Students -

Linda Viswat & Junko Kobayashi

Otemon Gakuin University and Kansai Gaidai University-Japan

Abstract

This paper discusses similarities and differences in negotiation styles between Americans and Japanese based on the results of questionnaires administered to 96 students in the United States and 102 students in Japan. Both in negotiations with a family member or a friend and in a business context, universal factors and those specific to American and Japanese cultures are identified. Although the essence of negotiation is universal, Americans and Japanese need to acquire different abilities in order to foster give-and-take relationships that will benefit both parties. It is essential for Americans to acquire the abilities: to listen attentively to what the other person says, and display a willingness to compromise by controlling emotions. On the other hand, it is indispensable for Japanese to acquire the abilities: to utilize logic and reasoning, and help others recognize points of disagreement by expressing their opinions clearly.

Keywords: negotiation styles; American and Japanese university students; negotiations with a family member or a friend; business negotiations; effective negotiations

Introduction

In the United States, a multiethnic culture, negotiations are carried out by almost everyone on a daily basis. A variety of research studies on how Americans negotiate have been conducted (Fisher, Ury & Patton 1991; Harvard Business School Press 2004; Lewicki, Saunders & Barry 2006; Ury 1993; 2007). The main focus has been on searching for ways to conduct effective negotiations within the American context except for some mention of cultural characteristics that may impact the negotiation process. This contrasts with Japan, a highly homogeneous nation, where people have commonly resolved problems through mutual concessions rather than through negotiations. "Negotiation has been identified with tactics and plots, and negatively regarded (Nakashima 2000). With globalization, however, systematizing a methodology of negotiation, has become essential (Tamura, Isshiki, & Sumida 2010).

Then, how do differences in cultural backgrounds affect American and Japanese ways of viewing and conducting negotiations? The purpose of this paper is to identify similarities and differences between Americans and Japanese based on the results of questionnaires, and to make suggestions for how to negotiate more effectively.

For the above purpose, questionnaires were distributed to 96 university students in the United States and 102 university students in Japan. The questionnaire consisted of two sections (See Appendix). The first section asked about negotiations with either a family member or a friend while the second one asked about negotiations in a business context (such as at work or in a store) on the assumption that people employ different negotiation styles in the two respective contexts. In both cases, the respondents were asked to write about the words they used in the negotiations if they viewed the outcome as successful, and to describe what they thought they should have done differently if they viewed the outcome as unsuccessful. Finally, they were asked about differences in their approaches to the two situations.

The Results of Questionnaires

The responses to the open-ended questions were analyzed using the KJ method developed by a famous anthropologist, Kawakita Jiro (1967, 1970). The KJ method, so named by referring to the inventor's initials KJ, provides a means for organizing qualitative data by combining separate concepts through card making, grouping, naming and chart making. It aims to create new ideas by synthesizing various data or ideas. The results of questionnaires revealed both similarities and differences between university students in the United States and those in Japan. They have been grouped as follows: (i) Similarities in Negotiations with a Family Member or a Friend, (ii) Differences in Negotiations with a Family Member or a Friend, (iii) Similarities in Business Negotiations, and (iv) Differences in Business Negotiations. In the process of grouping, a variety of problems have been identified.

(i) Similarities in Negotiations with a Family Member or a Friend

The first negotiation strategy, regarded as successful and employed frequently by both Americans and Japanese, was fostering give-and-take relationships. Typical examples were: "When my parents and I decided I was going to get a new car, they said they would make the down payment if I would promise that I would maintain the car and keep it nice looking;" "When I went shopping with my mother, I had my mother buy clothes for me by saying, 'I'll help you with the housework';" "I asked my friends to help me move. I asked nicely and offered pizza and beer as compensation;" and "When I wanted to borrow a notebook of the day I had been absent, I said to a friend, 'I'll treat you to lunch' as a token of my gratitude." Both Americans and Japanese offered compensation in the form of labor, such as maintenance of the car and housework, for help they received from their family members. In addition, both parties provided their friends with material rewards.

The second negotiation strategy considered successful by both Americans and Japanese was living up to the other person's expectations. Common examples were: "When wanting to move out of my parents' house, they told me if I find a place to live, get a job and enroll in classes, they would allow it. So I did those things and they were supportive;" and "When I was a high school student, I told my mother that I'd like to work part-time. Then, she objected to it by saying, 'If you work part-time, you can't concentrate on your classes because of your fatigue. It'll negatively affect the grades of your exams.' So I got permission from her by saying, 'I'll look for a part-time job in which I can take some days off when having exams.'"

The third negotiation strategy viewed as effective by both Americans and Japanese was trying to lessen the other person's burden. Representative examples were: "I asked my mother to let me stay temporarily at her house to save money and buy a house. Some of the key words I used were: 'Help,' 'Save,' and 'Temporarily.;" and "When I asked my mother to buy a cell phone for me, I said, 'I'll pay the phone bill by myself, working part-time.'"

(ii) Differences in Negotiations with a Family Member or a Friend

Marked differences were observed between Americans and Japanese in how they engage in negotiations with family members or friends. Responses from American students indicated that they borrow money from their family on the assumption that they will repay the loan, while Japanese students regarded the money as having been given to them without the need for repayment. Typical American examples were: "I asked my dad if he could loan some money to me for school. The way I asked was describing how much money I needed as well as how I would pay him back;" and "Last winter I was broke and desperately needed new tires on my car. I asked my grandmother to lend me money, promising to return the money." Common Japanese examples were: "I asked my mother to pay the cost of our circle's training camp by insisting that I'll do my best in the next exam;" and "I said to my mother, 'If I can get a good grade in the next test, please buy a cell phone for me,' and I had her buy that." In the United States where independence and self-reliance have traditionally been encouraged (Stewart & Bennett 1991), people usually take the reimbursement of money for granted even in parent-child relationships. In contrast, Japanese child-rearing practices foster a kind of dependency, or *amae*, on the part of children that continues into adulthood (Doi 1981). This dependent relationship means that the students often have an expectation that they will be rewarded by their parents for good behavior, such as by earning good grades, and this practice is not unusual even after students have entered university.

The situations to which American and Japanese students made reference reflect differences in their cultural environments. Americans frequently referred to problems related to shared-living situations. Japanese students, in contrast, did not mention these kinds of problems because they do not share accommodations with people other than family members and thus they do not experience the kind of collective living that requires negotiation. A specific American example was: "A couple years ago I moved in with some friends of mine. They were really messy. I tried to get them to clean by being a good example, and sometimes they pitched in. However, I had no lasting effect. I couldn't put up with the mess, and ended up having to leave. I could have been more vocal."

Examples provided by Japanese students, on the other hand, often focused on their asking the permission of parents for things like working part-time or getting a cell phone. Perhaps a reason why the American students did not mention similar problems is that rather than asking others for permission to do something, American society encourages people to make decisions on their own whenever possible. Although it is common for Americans to consult others on personal matters, they usually make up their own minds in the end. Typical Japanese examples were: "When I was a high school student, I told my mother that I'd like to work part-time. My mother answered, 'Your older sister began to work part-time after getting into the university, so it's too early.' I should have clarified some advantages of working part-time;" and "When I said to my mother, 'I'd like to buy a cell phone with my monthly allowance,' she replied, 'If you have a cell phone, you can have little time to study. So I'm

against it.' I should have negotiated with her by emphasizing that I'll set a time limit to using a cell phone." As indicated in their responses, the students appeared to recognize strategies they could have used to negotiate more effectively.

(iii) Similarities in Business Negotiations

A common negotiation strategy regarded as successful by both Americans and Japanese was the exchange of goods or services of equal value in the workplace, or the offer of a reward in return for granting a request. Representative examples were: "I negotiated with a co-worker if we could switch schedules because I had an event to go to one day that I was scheduled to work. I said that I would do the same for them if they ever needed to have a schedule switch. They agreed to the switch;" and "I asked a co-worker to cover my shift because I had urgent business that day. I said to them, 'I'll treat you to dinner,' and they agreed."

In negotiations with a boss in the workplace, success often depended on whether they could take measures in advance so as not to cause any problems to others at work, especially the boss. An example of a successful negotiation given by both Americans and Japanese was: "I told my boss that I would have a co-worker cover my shift because I had very important business that day." What several Japanese students learned after failing to negotiate a positive response was: "I said to the store manager in my workplace, 'I'd like to take this weekend off because of some exams.' Then, I was scolded by him, saying, 'You know how busy we are during the weekend, don't you?' I should have looked for someone in advance who could cover my shift."

A negotiation strategy viewed as effective when negotiating as a customer was identifying a solution that would be mutually beneficial. This strategy is regarded as a kind of joint problem-solving, but is still ritualistic. Especially at large-scale electrical appliance stores in Japan, managers anticipate customers' requests for lowering the price and have a pre-fixed formula for calculating how much the price can be reduced. Typical examples were: "When I went to a large-scale electrical appliance store to buy a personal computer, I asked a clerk to give me a discount on that product. The clerk declined by saying that it was already offered at a discount price. So I told him that I would buy a digital camera as well, and asked him again to lower the price. The negotiation was concluded so that both parties could be satisfied;" and "When I wanted to buy something expensive, I had the clerk cut down the price, emphasizing that I would pay in cash."

Another ritualistic negotiation strategy used to one's advantage when shopping was emphasizing that they had previously made big purchases at the store or informing the clerk that they had plans to make purchases at the store in the future. "My husband always negotiates at stores when he buys something expensive. For instance, he is going to buy a TV, he will try to get them to mark it down as much as he can, emphasizing that he spends hundreds of dollars there;" and "I went to a large-scale electrical appliance store to buy a TV. Although I asked a clerk to make it less expensive, it had no effect. Next time I went to the store, I asked another clerk many questions on the product, and told the clerk that I was planning to buy it. A week later I asked the same clerk to discount it, and it worked."

(iv) Differences in Business Negotiations

While Japanese students limited their business negotiations to simple matters such as changing their work schedules or requesting discounts when shopping, American students discussed how they had used negotiation strategies in a wide range of contexts. The Japanese attitude probably arises from the fact that Japanese companies have traditionally focused on long-term business projects (English and Lynn, 1995) and negotiations generally proceed from a foundation of trust and the expectation of mutual benefit rather than gaining an advantage over the other party. On the other hand, negotiation has been positively regarded by Americans who have been encouraged both to study negotiation strategies as well as implement them in a wide variety of circumstances. This conclusion is reflected in an American student's response: "When I negotiate with others, I generally try to butter them up. I've been told I would make a good salesperson because of the way I can talk people into doing things I want." This reflects a possible cultural difference in that 'buttering others up' or flattering people to gain an advantage may be more acceptable in the United States than it is in Japan.

The following are examples of negotiation strategies cited by Americans based on their experiences. First, American students mentioned situations in which they negotiated diplomatically with their boss about how to perform a given task. This may be a reflection of an American cultural value that "verbal interactions between superiors and subordinates is an expected norm" (McDaniel & Quasha 2000). An example of how this strategy was employed successfully was: "Sometimes at work I disagree with my boss about what ingredients we should use in a dish. I throw my ideas out rather than tell my boss he's wrong. I might say, 'What if we try this...?'"

Although the following use of a negotiation strategy was viewed as successful by the student, she recognized that there was still some room for improvement: "When I wanted to explore a different way of performing a task, I made a suggestion to my boss regarding the change with words: 'It would be easier if...' or 'I think that if this was changed, we would see....' As I look back at the situation, I feel that if I used words like 'What do you think about...?' this would eliminate any defenses going up."

In the United States, where confrontation is considered acceptable when one is standing up for one's rights, it is not surprising to find examples of students using negotiation strategies to protest what they perceive as unfair practices by their boss. A specific example was: "I received my 6 month review at work, and was very displeased about the unfair review. I told them specifically what I thought they had wrong. Then, they changed my review to a positive one and I actually got a small raise from it even though I didn't even ask for one." In this dispute over a performance review, the student succeeded in persuading the boss to change the review from negative to positive by providing convincing evidence of his effort on the job without damaging the relationship. A similar situation in which the outcome of the negotiations was unsuccessful was: "This summer I did my internship, getting paid a lower wage than the standard line. When my internship ended, they asked if I could continue the job. I asked if I could receive a higher rate of pay. They declined almost instantly leaving the outcome of my negotiation unsuccessful. Maybe I should have written a formal letter, emphasizing how good of a worker I was and how I was no longer an intern." Upon reflection, the student recognized that the outcome might have been different if she had used a different negotiation strategy such as by offering reasons that the boss would find convincing, either orally or in a formal letter, and emphasizing what she had learned over the

course of the internship. In both of the above cases, a key assumption of the negotiation strategy was that you usually cannot satisfy your personal interests unless you also meet the interests of the other party in the negotiations (Kennedy 2000; Ury 1993). The attitudes displayed in these two situations also reflect how much taking initiative is encouraged in American society (Stewart & Bennett 1991).

Another negotiation strategy employed by American students was setting the first offer high on purpose. This is a strategy commonly employed in American culture (Lewicki, Saunders & Barry 2006). A typical example was: "I bargained with a man for an item trying to lower the price. Obviously he didn't take my first offer, but we agreed on a medium that satisfied us both."

Further, a strategy used by American students, after carefully listening to a customer's complaint, was giving a logical explanation so as to assuage the customer's dissatisfaction. A number of researchers who have analyzed negotiations state how important the role of active listening is. Their conclusion is that people respond more positively if they feel that you have understood them (Fisher, Ury & Patton 1991; Jones & Brinkert 2008). Representative examples were: "While I worked at Burger King, I had an older couple complain about how prices had gone up on a sandwich. I talked about our bad economy and how it costs more for products we use for our sandwiches;" and "I worked at a gas station and had to negotiate with customers all the time. I had a guy chew me out about the price of a product. By listening to his argument and nicely trying to treat him, I kept him from escalating his anger. The situation settled."

Negotiation Approaches to Two Different Contexts

Some American students as well as a number of their Japanese counterparts stated that the approach they use in negotiating with family members and friends is different from the way they negotiate with businesses whereas other Americans and Japanese responded that they use essentially the same approaches regardless of the party with whom they are negotiating. The former position expressed by both Americans and Japanese was: "I am much more careful about the language I use in a business context than I am with a family or a friend;" and "I am a little aggressive in a customer's position. Then, I can get good results." On the other hand, those American and Japanese students who mentioned that they approached the two negotiation situations in basically the same way gave explanations such as: "When negotiating in either case, if you show the other person how it will benefit them, it is more likely to have a positive outcome;" and "In both negotiations there is the give and take relationship. Finding a balance is key."

Some views were different between Americans and Japanese. The views stated by Americans were: "The two situations were handled about the same. You need to keep your emotions civil and your temper in check;" and "I think I treated both negotiations in the same manner. I've learned better how to use polite, rational arguments." One of the reasons why Japanese students did not give similar responses is that emotional control is highly valued in Japanese culture, and therefore the students probably take such control for granted in negotiations. Another reason is that logic and argument were traditionally shunned in the small communities (Nakayama, 1989; Onoda, 2003), and even today it does not seem to be the norm to rely on logic and reasoning in making an appeal to others.

On the other hand, some opinions expressed by Japanese were: "Business negotiation cannot be concluded unless it is mutually beneficial. In parent-child relationships, however, negotiation can be completed even if it benefits only one party." The reason why Americans did not give similar replies may be that in American culture independence is encouraged even in parent-child relationships.

Implications of the Results

Through the results of questionnaires, universal factors and those specific to American and Japanese cultures were identified. The culture-specific factors are likely to cause critical problems in negotiations with one another. For instance, parent-child relationships are vastly different between Americans and Japanese. In American culture independence and personal initiative are encouraged (Stewart & Bennett 1991) while in Japanese culture dependency is accepted (Doi 1981). As some Japanese in the questionnaire recognize through homestay programs abroad, Japanese people who can't express their opinions clearly will be put in a disadvantageous position abroad. Typical examples were: "When I stayed with an American family, I was displeased with the same box lunch every day. I should have asked the host mother to put some vegetables in it;" and "I stayed with a family abroad. The host mother told me that while she and her husband were out, they would like me to watch their child. I wanted to decline because the exams were drawing near, but I couldn't."

In contrast, a representative example raised by a few Japanese regarding Americans in Japan was: "I let an American stay at my house. He said that he likes hamburgers, and didn't try Japanese dishes until the end. Since he was in Japan, I should have aggressively suggested that he try Japanese dishes." To maintain good relationships with Japanese, Americans need to display a willingness to compromise without thinking only of their own preferences. At the same time, it would be advisable for Japanese host families to let their American guests know that their attitude is considered displeasing or self-centered.

Also, those Americans who shared accommodations with others and were unassertive had difficulty in getting the cooperation of their roommates in completing household tasks. Many Japanese abroad will most likely encounter similar problems. In such situations, when another person's initiative cannot be taken for granted, it might be best to make specific suggestions like, "How about taking turns with the cleaning?" or "How about you clean the kitchen and I'll clean the bathroom?" Additionally, it might be useful to establish mutually agreed upon consequences, such as requiring those who do not complete their tasks to contribute a designated amount of money to purchase items to be shared in the house, like electrical appliances. It is often pointed out that joint problem-solving can generate better results than competitive bargaining (Harvard Business School Press 2004; Raiffa 1982; Ury 1993), but the first step toward inventing options for mutual gain is to help people recognize what the problems are.

Regarding the business context, the greatest difference concerned whether or not Americans and Japanese had experience negotiating. Americans without experience negotiating were in a minority, and the reasons cited were related to their occupation or personality. The reasons given by these Americans were: "I've been in the military for 12 years, and have no experience negotiating. There is a chain of command. If someone says to do something and they are above you, you have to do it;" and "I'm not a confronter, so I often have a hard time

with this issue." However, many Japanese students responded that they had no experience negotiating in a business context. This coincides with an American observation that "Japanese seem to treat negotiation almost as a ritualistic enactment of an agreement" (Tenhover 1994). Japanese students have to recognize that with globalization, many of them will encounter situations where they have to negotiate, going beyond ritualistic negotiations. Also, given that the number of non-Japanese people will increase in their workplace or as business partners, they need to understand the importance of logic and reasoning and sometimes "set the first offer high purposefully," just as Japanese learned from their business experiences abroad (Nakashima 2000; Oohashi 2007). On the other hand, Americans need to make an effort to listen attentively to what their customers say, control their emotions, and ask for their boss's opinions before making suggestions in their workplace, just as some American respondents in the questionnaire learned from their experiences.

Negotiation can be learned. While great negotiators may have inherent negotiation talents, individuals can learn how to become better negotiators (Watkins 1999). When teaching negotiation to students, it may be more effective to start with topics familiar to students such as negotiations with a family member or a friend than to start with complicated theories about how to negotiate in business. The results of the questionnaires can be utilized in a variety of forms as an introduction to intercultural communication.

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Appendix

Questionnaire

We are conducting research on negotiation styles of Americans and Japanese. Your cooperation in completing this questionnaire is greatly appreciated.

Gender (circle one): Male Female Age: _____

1. Please describe a situation in which you carried out negotiations with either a family member or a friend. If you view the outcome as successful, what were the words you used in

the negotiations? If you view the outcome as unsuccessful, what do you think you should have done differently?

2. Please describe a situation in which you carried out negotiations in a business context (such as at work or in a store). If you view the outcome as successful, what were the words you used in the negotiations? If you view the outcome as unsuccessful, what do you think you should have done differently?

Finally, do you think that you approached the two situations differently? That is, did the words you used depend on the people with whom you were negotiating or the situation? If so, in what ways were they different?

About the Authors

Linda Viswat is a professor at Otemon Gakuin University where she teaches courses in intercultural communication. Her research has focused on sojourner adjustment, learning strategies of Japanese university students, motivation, and the development of a learning community.

Junko Kobayashi is an associate professor at Kansai Gaidai University. She is the author of 9 English textbooks on intercultural communication.

Authors' Addresses

Linda Viswat
Otemon Gakuin University
2-1-15 Nishiai
Ibaraki Osaka
567-8502 JAPAN
Email address: viswat@res.otemon.ac.jp

Junko Kobayashi
Kansai Gaidai University
16-1 Nakamiyahigashino-cho
Hirakata Osaka
573-1001 JAPAN
Email address: kjunko@kansai-gaidai.ac.jp
