

# **SUSTAINABLE NEGOTIATION**

What Physics Can Teach Us about  
International Negotiation

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What Physics Can Teach Us about  
International Negotiation

BY

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Look deep into nature, and then you will understand everything better.

— Albert Einstein (1879–1955)

# Foreword

A science writer, I spend my time thinking of ways to explain complex scientific concepts to the general public. This often involves developing metaphors and mental models that can make a subject more approachable. In fact, even at the level of a working scientist, particularly in physics, the job is more about constructing models that make good predictions of how parts of the universe will behave than it is about finding an absolute “truth” about reality.

As I have a background in business, I have often thought that it should be possible to use some of the model-building processes of physics to construct practical tools for business people. This is particularly true when considering quantum physics, which departs from the kind of science most of us were taught at school by incorporating probabilities. This was the aspect of quantum physics that so upset one of its early contributors, the great Albert Einstein. In the quantum world, we can never know certain values exactly. There is always uncertainty, and until measured, all we can know about a quantum particle is a collection of probabilities. This uncertainty maps well onto anything in the business world involving forecasts and human interactions. Yet most business theory is stated in terms of impossible certainties rather than probabilities.

Another change of view that came with quantum theory is that it is no longer possible to think of an experiment being totally isolated from its surroundings. The other equipment, the

building — the experimenter his or herself — the very act of looking at something can have an influence on its outcome. And again, in business — particularly in negotiation — there is the need to take this wider interaction into account.

Quantum physics is full of paradoxes. This word is frequently misused to mean a fallacy — a belief that isn't true. In reality, a paradox is something that runs contrary to received opinion, something that is *difficult* to believe, but is actually true. One of the greatest workers in the field, Richard Feynman once said "I'm going to describe to you how Nature is — and if you don't like it, that's going to get in the way of your understanding it... The theory of quantum electrodynamics describes Nature as absurd from the point of view of common sense. And it agrees fully with experiment. So I hope you can accept Nature as she is — absurd."

If you are to be successful in working in quantum physics — or in explaining it to the public — you have to be comfortable with paradox. Ideally, you should even enjoy it. And *Sustainable Negotiation* shows that the same is true of negotiation. A central challenge in quantum physics, for example, is explaining the "two slit" experiment. Classical physics describes how waves of light passing through two slits before hitting a screen interfere with each to produce dark and light bands. But in quantum physics, we send single particles of light — photons — toward the slits, and over time the same pattern emerges. In explaining this, we think of waves of probability for the location of the photon passing through the slits and interfering. Something that was traditionally given a single location now must be thought of from many directions, using an infinite set of possible locations. Similarly, this book shows how successful negotiation, particularly when dealing with different cultures, often involves moving from an 'either/or' mindset to an 'both/and' mindset that can encompass more than one apparently contradictory viewpoint, recognizing that the decision to treat two possibilities as antitheses is often an arbitrary one in human interaction.

Another essential of quantum physics is being able to describe how a system evolves over time. It's not enough to simply get right, for example, what will happen when two particles meet. We

need to be able to describe the changes in the system — usually in the form of probabilities — as time goes by. This also comes through very effectively in the ‘sustainable’ aspect of sustainable negotiation. For too long our business decisions have been short term and focused on delivery at a specific point in time. *Sustainable Negotiation* encourages us to bring time more into the equation, taking the continuing view of a negotiation, rather than seeing it as a one-off outcome.

When I came across this book, I was delighted to discover that Eliane Karsaklian has used her unique perspective, combining experience in international negotiation and science, to produce new insights. Just as the physicist looks for the simplest discoverable principles underlying the components of the universe, so this book brings out the key elements at the heart of negotiation.

I know that a lot of people are put off by scientific jargon and thinking, and may find the idea of a business book driven by the principles of physics scary. But there’s no need for this. I find that, if it’s presented correctly, primary school children are perfectly capable of understanding the basics of quantum theory. In fact, they often take to it more easily than adults, because they aren’t scared of paradoxes. So, I encourage you to jump in and enjoy the most original look at negotiation we’ve had in many years.

Brian Clegg  
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# Introduction: What Do Smartphones, Cards, and Pets — and Physics — Have to Do with International Negotiation?

*I don't demand that a theory correspond to reality because I don't know what it is. Reality is not a quality you can test with litmus paper.*

— *Stephen Hawking*

Congratulations on your bravery!

To my knowledge, this is the first book to connect international negotiation with quantum physics. My guess is that you are a practical business leader who wants to be a better negotiator — and not a physicist by background or inclination. You likely have some judgments about how applicable physics is to the future of your organization, yet you're reading this anyway. Your intellectual curiosity is bravery in my book. I promise to reward you for taking the time to read this one.

## Drawing on Unusual Connections

Being willing to look at the world in a different way is one of the characteristics of a successful negotiator — domestic or international. You must be able to hold your point of view while simultaneously understanding your partner's. There may be aspects of what each party wants that appear mutually exclusive. Still, you are determined to find common ground to create a business opportunity where one didn't exist before.

The goal of this book is to give you the tools to be more facile with this.

And the source material for making this happen is the natural world, because that's where we all live. What makes the perspective you find here a little different is that we're viewing it through the lens of quantum mechanics.

This book takes a disruptive approach. It invites you to break with old theories to create a more sustainable approach to the business world. We don't talk about "counterparts" here. That's because, in sustainable negotiation, we don't "counter," we collaborate. We work together in our search for sustainable growth. Here, you will find ways to see the world through other lenses, and to incorporate sustainability in your business practices.

The American and Nobel laureate in physics, Steven Weinberg, said that nature is much simpler than it looks. I believe the same thing about international negotiation. Too often, we make it mysterious, complicated and conflicting. We focus on differences while symmetries are right there — and we can't see them because we are too busy focusing on issues created by asymmetries.

Sustainable negotiation takes negotiation back to its most simple state. This is the one in which people work to build a sustainable business together, instead of trying to get the upper hand or take over the other party. In sustainable negotiating, we look for complementarity instead of opposition. Different is good. It generates more energy.

You might not see the immediate link between physics and negotiation. But if man is a microcosm of the universe, as stated

by theoretical physicist David Bohm, observing the universe should help us to understand human behavior.

In physics, scientists attempt to guide particles based on their position and the trajectory. In negotiation, we tend to guide other negotiators' steps in the direction we want them to take. Scientists can't *know* all the properties of the particles they study, so they use wavefunction to describe the *probability* that the particle is in a particular place or state. The same is true for negotiators. You can't know everything about the other people you're dealing with, and how they are thinking and feeling. All you can do is work with probabilities and believe that something you can't see — what's happening inside of them — does exist.

Take nature as an example. We look at a tree and see its green leaves. What we don't see is the photosynthesis process that makes them this way. When sunlight hits a leaf, photons crash into chlorophyll molecules. The chlorophyll absorbs the photon's energy, and then channels that energy toward the chemical factory of the cell, which is busy making sugars. The photon's energy spreads just like waves across the leaf's cells.

The same is true in international negotiation. All you see your partner's behavior. You can't anticipate precisely all your partners' moves, but you can work with probabilities of having your suggestions and points of view taken into account — if you have done your homework and know them and their culture better.

## The Nature of “Reality”

Here is the idea you may find most challenging in this book, so let's get it out in the open right away:

### Quantum Mechanics Teaches Us That Reality Is Truly Unknowable

Does that feel like an awfully big leap? Take a deep breath. Here's an everyday example to easily explain that idea.

You hold a smartphone in your hand. On it, you see the photo of a two-door brown car in the shade of a tree on the opposite side of a city street. Your view is of the driver's side, and the window is rolled up.

It appears to be a parked car. Nothing too remarkable.

Then you tap the image.

Now you watch a five-second video. The car is moving down a tree-lined street. When the sun hits it, you notice that the car is red. The driver's window rolls down. You see a young man with curly brown hair at the wheel. A pug sitting on his lap sticks its head out the window, and the wind catches its lolling tongue.

The picture tells one story. The video tells a different one. Which is "reality"?

Here's the truth. If you come from the Western part of the world (with an objective collapse culture — more on this later), you will believe the photo is real. You default to condensing information into a moment in time. If you come from the Eastern part of the world (a super position culture), you will believe the video. You perceive a flow of information as real.

Is the car brown or red? Is it moving or still? Is it empty or is there someone inside? It all depends upon context: the way and the moment you look at it.

Of course, the photo and the video are *both* different approaches to the same reality. The problem is that we all judge what's real through the lens of our original culture. When we're unaware this is happening, we can be confused by — or angry with — people who don't look at things "our way." You already know that either approach can kill a negotiation.

## Dealing with Paradoxes

International negotiation is all about perception and context. This is where quantum mechanics comes in. It teaches us that more than one thing can be true at the same time.

For those of us in Western cultures, this means getting comfortable with ambiguity. We boil information down into the

photo. But your Chinese partners are seeing the video. Instead of correcting this person — usually by drawing his attention to goals, facts, figures, and deadlines — we have to understand that his view is equally valid.

“Equally” is very important. Neither party should — or can — give up its cultural viewpoint and enter solely into the other’s. What happens if you impose your will on other people? How can you expect them to be happy to continue to work with you — to treat you fairly and create new, mutually beneficial opportunities — if they feel you have beaten them into submission? How would *you* feel if forced into a win/lose scenario?

Instead, you need to literally create a *third* culture: one of integration.

## The Culture in a Deck of Cards

How can you do this? Consider the metaphor of playing a card game.

Let’s say you and your partners each have six cards. How can you play a game together? You have a few options:

1. The other person knows a game that only requires six cards. You don’t know this game. She offers to teach you how to play it. However, you feel the imbalance, because she already knows the game and automatically will be better at it than you will.
2. The reverse is true. You offer to explain a game to her, and she feels the discomfort of being a beginner.
3. Neither one of you knows a game that only requires six cards, so you decide you can’t play.
4. You both know the same game and agree to play it. Once again, one of you may be more experienced with the game than the other, creating an inequity.
5. The two of you agree to create a new game together. Each of you suggests rules and weighs in on the ones that make

sense. You ultimately develop a game that neither has played before, so your level of expertise is equal. And you are both equally involved in creating the game, which makes more sense to you. It is *your* game and not just a game coming from who knows where.

## Welcome to Sustainable Negotiation

When you choose alternative #5, you've entered the world of sustainable negotiation.

You intuitively understand the value of this. In the past, when the “formal” negotiation has ended — and both parties have signed on the dotted line — you are *still* negotiating. There may be details to resolve. Customers of one side or the other to entice into participating. New opportunities that arise that weren't considered in the original agreement. You must lay the groundwork for continuing goodwill in negotiating, so you can sustain a future of working together.

You can do those things if you have established a culture in which each party already knows how to interact with the other, what is acceptable and what isn't, and is genuinely interested in creating a continuous relationship.

## How Your Pet Can Help You

Sustainable negotiation is rare in the business world today. Most often, I hear the objection that the other culture or negotiator is “too different” and doesn't have the same values, perspective, or willingness.

Let's go back to the natural world of physics to answer this. Do you have a pet at home? Have you been able to work with your pet so it understands the commands that you give (and, if it's a dog, is more likely to follow them)? Have you spent time with your pet and understand when it is excited? Or tired? Or peevish? Or hungry?

What we're talking about here is *cross-species* communication. If you can do this, then you can bridge the gap to connect with other *people*. Most of what it requires is a genuine interest in — if not

caring for — the other. So treat your negotiating partner at least as well as you treat your pet!

## Let's Do This Together

What I'm asking you to consider is a sustainable approach to negotiation: where there is no winning or losing, and there are no term limits to working together. To make this shift, you'll need some useful background: on everything from culture, to principles of quantum mechanics. The chapters that follow build upon each other to provide this to you:

- *Negotiation is about energy:* The evolution of ideas about negotiation parallels what happened 100 years ago in physics. This changed science forever — and for the better. Let's do the same with negotiation.
- *Negotiation is about paradoxes:* The old ideas about negotiation are based on conflict. To be successful today, negotiators must understand duality and be comfortable with paradox management.
- *Negotiation is about optical illusions:* Rainbows are a great metaphor for negotiating, because they are intangible but visible, require opposites to come together, have no beginning and no end, and you have to be in the right place at the right time to see them.
- *Negotiation is about probabilities:* We try to control uncertainty in negotiations by looking for patterns in people's behavior. But all behavior depends upon the context of the person who is acting, as well as the person who is observing and reacting.
- *Negotiation is about integration:* To be successful international negotiators, we need to move beyond our cultural mindsets of exclusion (*either/or*) and inclusion (*both/and*) to integration (*either/and*).
- *Negotiation is about sustainability:* Sustainable negotiation doesn't have a time limit (such as the end of a contract). It's a

never-ending process of working with a partner and adjusting the relationship as needed, so everyone has a reason to stay.

- *Sustainable negotiation is possible*: This is not the same as win/win negotiation. It's about using a set of ethical principles, following a clear process, and knowing how to introduce sustainable negotiation and what to do if a partner backslides into a competitive approach.

At the end of each chapter, you'll find not only a useful summary, but also negotiation and physics exercises you can do to use the new perspective you've gained. I also invite you to share the results of your experiments with me, and I'll be happy to answer your questions and offer additional insights.

Physics teaches us that the universe is a system, and that everything is interrelated and interdependent. Humans — and the negotiations among them — are no different.

So join me on this journey to take a “natural world” perspective on international negotiations. Make it your goal to use every opportunity to create a situation where sustainable negotiation is possible. You'll find all of the tools you need to do this here. And when you employ them, you'll be amazed at how successful — and respected and in demand — you will become.



# Negotiation Is about Energy

*Scientific discovery and scientific knowledge have been achieved only by those who have gone in pursuit of them without any practical purpose whatsoever in view.*

— Max Planck (1959)

Don't let this chapter title frighten you! While I have a background in physics, I'm not a physicist — and am betting you aren't, either. This is a book for business professionals: from CEOs, to lawyers, to pilots, to engineers, to doctors, to salespeople, to anyone who wants to advance in his or her career. You'll find no arcane or obscure theorems or formulas here.

What you *will* find is a good example of the evolution of ideas — and how this applies to international negotiation.

Actually, this entire book is a lot about energy. Energy makes objects move forward. It enables people to accomplish things. It sustains efforts in sports, in thinking, in having fun. Negotiating requires effort and energy. Negotiating internationally requires *additional* effort and energy.

## A Brief History of Classical Physics and Quantum Mechanics

Physics — and the idea that energy causes transformation — had its origin in ancient Greece. However, most of us are familiar with the discovery Sir Isaac Newton made in 1686: when the apple fell on his head. This sparked his notion that an object will stay at rest — or continue moving toward the ground at the same speed (velocity) — unless it encounters an outside force. Then he created a number of formulas about how those outside forces affect the velocity of our object. Following up on Galileo's theory of Earth's gravity, Newton stated that the same force was being applied to any object, which turned into the law of universal gravitation.

This launched classical physics. Newton's ideas — and the ones that built upon them — were called "deterministic." Physicists believed that (1) if you knew the exact positions and the velocities of all particles at a given time, (2) along with how they functioned, then (3) you could determine the future (and past) positions and velocities of all particles at any other time (called their trajectory).

It was all neat and tidy until experiments in the late 1800s and early 1900s started yielding results no one could explain. These forced physicists to look for alternative theories to understand these new outcomes. Ideas and rules about how to move and share energy became the basis of quantum physics.

Newton equated light with water waves: both were made of tiny particles that would bend around obstacles. But Albert Einstein showed there were situations where light behaves as a stream of particles that carry energy. Max Planck's work with electromagnetic radiation brought the next leap.

Planck discovered that this radiation had the properties of particles *and* waves. Like a wave, radiation *bent around obstacles and openings* — which couldn't be explained by classical physics. Planck introduced the idea of "quantum" or "quanta," from the Latin "how much," as units of energy. He saw this as a finite packet of energy that depends on the frequency and velocity of the radiation, which became the root of quantum theory.

Einstein took this forward another step. He explained how magnetism and electricity came from the same electromagnetic force, but they were seen differently in different situations. Based on this principle, he demonstrated that light is not always a wave: it can sometimes act as a particle.

Quantum mechanics sprang from this. Physics needed to abandon the notion of precisely defined trajectories of particles moving through time and space applying to *everything*. Newton's ideas worked fine with the behavior of larger bodies — such as yours, or a car, or planets. Instead, when we started talking about subatomic particles (such as electrons), we needed to speak about the “probabilities” that something would happen.

In other words, classical physics operates on a macroscopic level, while quantum mechanics operates on a microscopic level. We needed to use specific tools and equipment to see what the naked eye can't: microscopes.

This evolution speaks to the duality in physics: matter can be more than one thing at the same time: both waves and particles.

## Why There's a Connection between Physics and Negotiation

After spending most of my career in international negotiation, I've noticed there's a parallel here. Businesspeople have been taught to view negotiation as a competition. This is akin to the classical physics approach of determinism. If you look at the groups involved in a negotiation, and the resources at their disposal, you can determine which will be the winners and which the losers. (We'll get into the fallacy of win/win shortly.)

Newton stated that an object will stay at rest or continue moving toward the ground at the same speed unless it encounters an outside force. The same thing happens when you are negotiating. You can keep going with your strategy, ideas, and propositions until they hit someone's objections. Then your offers either change their trajectories to adjust to the objections, or stop as if they had

hit a wall. Just as with energy, your propositions are not created or destroyed during a negotiation: they are transformed.

But I believe negotiation has moved beyond this model, with its roots in the western world. Increasing numbers of businesspeople are coming from the Africa, Asian, the Middle Eastern, and South American cultures. Their viewpoints are different. They operate more often with the quantum physics approach of probabilities. This means they can hold what appears to be opposing viewpoints at the same time.

That is why they look unpredictable to most Westerners. Their thinking patterns and their behaviors are not linear and can surprise others by bending around obstacles until they reach their goals. There is no clear-cut position in these cultures as opposed to the American culture, for instance. It is a waste of time to try to determine their trajectory. We can only talk about probabilities of future behaviors.

If American and Western European businesspeople want to remain relevant in the global marketplace, they need to move beyond the classical model of negotiation.

## “Classical Negotiation”

Contemporary ideas about negotiation can be traced back to 1981. This is when members of the Harvard Negotiation Project — Roger Fisher and William Ury — wrote *Getting to Yes: Negotiating without Giving In*. This book is one of the longest running business paperback bestsellers.

Fisher and Ury introduced the idea of “principled negotiation.” This involved having negotiators determine which of their needs were fixed (non-negotiable) and which were variable (open to change). By knowing this, they could agree on solutions that were acceptable to all sides.

They applied a deterministic approach to negotiation. If you knew the exact position of your partners and how their minds worked, you could predict their future behavior and would have no surprises when negotiating with them. The outcome of your

negotiation would only depend on the consistency of your own strategy and the way you manage the information you have about your partners.

Principled negotiation is based on these five propositions:

- Separate the people from the problem
- Focus on interests, not positions
- Invent options for mutual gain
- Insist on using objective criteria
- Know your best alternative to negotiated agreement.

Their book also incorporated some negotiating strategy ideas from game theory that are still accepted today: win/win and win/lose.

*Win/win strategy* has become the norm because it's politically correct. A negotiator's goal is to arrive at beneficial outcomes for *all* parties. Negotiators search for collaboration and are more likely to make concessions and avoid conflicts. It also means that you want to create good relationships with the other side, even if you don't get as much as you could out of that specific business. The strategy has a long-term orientation.

Win/win tries to be an integrative approach. Objectives, constraints, and the needs of all parties are factored into the process. It also means that one party's problems become *all* parties' problems, to which a common solution should be found. Working together to find solutions to all of these issues means the global gains are bigger and shared by everybody. Negotiators believe that the process and outcomes must be fair for both sides — for the length of the agreement.

*Win/lose strategy* is used when negotiators don't believe all parties can win. Their aim becomes protecting their own interests. The rationale is that other people's problems are *not* their problems. In this approach, people aren't interested in being transparent and sharing gains. However, the result doesn't always look aggressive

and can be very subtle. In addition, negotiators may announce win/win intentions but get into a win/lose strategy as the talks progress.

There is a third approach no one speaks about, because it is considered politically incorrect. But it goes on too frequently to be ignored.

*Lose/lose strategy* can happen when negotiators don't have the goal of working with others and can't — or won't — openly say so. They still might go to the negotiating table to play the game and gather information, but they refuse all possibilities of agreement. No alternatives will ever be good enough. Lose/lose strategy leads to no outcome, since the parties are unable to do business together.

Another possibility is that the negotiation starts with a win/win or a win/lose strategy and turns into a lose/lose one. Several factors can lead to confrontation, so each party says to the other, "If you don't give me what I want, I won't give anything to you." The one who adjusts the most is seen as needing the other more — and losing.

I consider these ideas classical negotiation. My concern is that these — like classical physics — can no longer explain the negotiating universe.

Newton's ideas worked fine with the behavior of larger bodies, but other theories and equipment were needed to deal with subatomic particles. We can parallel classical physics with what we *can see*, and quantum physics with what exists but we *can't see*.

Here is the parallel with people. We can see what they do through their *behavior*, but we can't see the underlying *reasons* for their behavior. We need tools that enable us to identify what is influencing their actions. That means understanding attitudes, opinions, motivations, fears, culture. When you work mainly with people from other cultures, you can only think about probabilities.

## The Culture that Spawned Classical Negotiation

When Fisher and Ury wrote *Getting to Yes*, here is how the business world looked. Western cultures — European and U.S. — controlled and drove global markets. From a classical cultural

perspective, this is how those cultures appeared and what they valued.

*Environmental control cultures* are more likely to rely on schedules and to avoid surprises and improvisations. Anything that wasn't planned disturbs them.

*Monochronic cultures* are punctual. Time is fixed for them, and being late looks unprofessional. In addition, monochronic negotiators have a linear conception of time: the past, present, and future do not mix.

*Achievement-oriented cultures* view what a person has accomplished as a professional as counting much more than who the person is (including her or his network). These cultures value experience more than diplomas and rely on facts and figures. They also respect confident people who have extensive experience in negotiating.

*Low context cultures* are more task oriented. They get straight to the point, don't need to get to know other people personally to negotiate with them, and base their trust on contracts. People from these cultures practice direct communication and can be either formal (like the Swiss) or informal (like Americans).

*Individualistic cultures* have negotiators who are more independent. They negotiate by themselves or in teams with a limited number of members.

*Universalistic cultures* are egalitarian and apply the same rules to everybody. Their rules are clearly stated, understood, and observed. Universalistic negotiators will follow the company's directives no matter whom they are negotiating with.

*Masculine cultures* value competition, materialism, and professional achievement. Competitive negotiators have a short-term orientation, so are punctual, quickly get to the point, are efficient, and want to walk away with a signed contract.

*Orderly cultures* are interested in schedules with set times and tasks. Negotiators need to know about their meetings — the topics to discuss and the people participating in each meeting — in advance. They wish to plan as a way to avoid uncertainty. They feel uncomfortable if plans change and perceive this as a lack of professionalism and organization.

*Linear thinking cultures* follow a sequential logic. For instance, when making presentations, people introduce the topic, give the big picture, and then get into some details about the main points. They wrap up by presenting the key takeaways, tell people where they may find all the remaining details, and then take questions. Interrupting this presentation flow is seen as rude.

In larger “*space bubble*” cultures, people feel as if their privacy is invaded when others are too physically close. In general, they would rather sit across from than next to people with whom they are negotiating.

*Weak power distance cultures* don't place as much importance on hierarchy. These people may not be patient enough to wait until their partners get replies and approvals to keep going with the negotiation. As more autonomous negotiators, they can make decisions and assume the consequences for these. They may even see a potential partner's relationship with her or his manager as childish and lose the patience to work with that person.

Bluntly speaking, this was the message businesspeople from these cultures sent to others: “We have the power and experience in this relationship. If you want access to the benefits that working with us can bring, you need to do things our way.” In the 1980s, Western cultures could get away with this. And other cultures, being new to the global business table, were willing to be cowed.

In addition, once the contract was signed, the negotiators walked away. They had gotten the most favorable terms possible (either through win/win or win/lose) and now their job was done. It was on to the next thing — and someone else's responsibility to monitor results and enforce the contract.

Just as knowledge of the natural world at the end of the 19th century was moving from what could be observed by the naked eye to the atomic and subatomic levels, there has been a shift in the focus of negotiation.

## The Rise of Developing and Emerging Countries

In 2001, Jim O'Neil, who became chairman of Goldman Sachs, wrote a paper called "The World Needs Better Economic BRICs." This introduced the term that stood for Brazil, Russia, India, and China (The group invited South Africa to join in 2010).

BRICS countries began to seek opportunities for cooperation in trade, investment, infrastructure development and other arenas. It's estimated that by 2050, China and India will become the first and third largest economies (with the U.S. in second place).

O'Neil then added the Next Eleven (N11). These countries include Bangladesh, Egypt, Indonesia, Iran, South Korea, Mexico, Nigeria, Pakistan, the Philippines, Turkey, and Vietnam. When he created this group, O'Neil noted their economies have the potential to grow into some of the biggest ones in the world.

The mature economies of the United States and Western Europe must increasingly do business with — and invest in — BRICS and N11. And as they rose in stature on the regional and worldwide stage, the pushback began. Their bluntly spoken reply now has become, "If you want to do business in our country, you have to do things *our way*."

Here's one example from *Getting to Yes* that illustrates this. The authors give this advice if you encounter what you believe is strange behavior from those with whom you're negotiating. They believe you should be direct about this, saying words to the effect of "the way your team is behaving is upsetting our team and making us feel uncomfortable."

That might be fine if you are working with people from the United States, Anglo-speaking, and some Scandinavian countries. But if you said that to negotiators from Asia, the opportunity would be over! These people would experience this as

disrespectful to them and would opt for someone who sounds less conflicting than you.

International negotiation is going through the same type of dislocation seen between classical physics and quantum mechanics. The old rules of doing business no longer apply everywhere.

This led to the rise of “cultural training programs.” The idea was to put negotiators, executives, and those moving to other countries through an intense one- or two-day program where they learned about the people with whom they soon would be working. While useful information can be shared in this way, the approach often is a checklist of “do this” and “don’t do that.”

The result is more of a Band-Aid than a true understanding of the differences among cultures and the underlying reasons for these differences. Trainers and books about international interactions are often limited to describing cultural differences and warning others about the dangers these can provoke. No explanations are given about the reasons for cultural gaps. It is just as if physicists saw a storm and said, “Look for a shelter because storms can be dangerous.” This doesn’t bring us any closer to understanding what is happening. Instead, they analyze the phenomenon to discover and explain the reasons for thunder and lightning strikes, and the relationship between the two.

This also illustrates the difference between trainers whose only experience has been traveling and identifying behavioral differences, versus those who dig deeper into the reasons for these — as physicists do with natural phenomena.

That is where we stand today. We are still operating on deal brokering tenets developed over 30 years ago. No fresh guidelines have appeared to bridge to the new reality of negotiating among vastly different cultures.

It’s time to change this.

## **The New World of Sustainable Negotiation**

We need to drop the concept that any side “wins.” Negotiation isn’t a win/lose boxing match, in which one party is the victor

and the other leaves the arena in an ambulance. What incentive does the “defeated” group have in continuing to work with the winner? Frankly, they have more reason to do as little as possible, or perhaps even scuttle the agreement later (particularly if a better opportunity comes along).

Although this idea might sound shocking to you, it is imperative that we stop believing in win/win negotiation strategies, because it’s an illusion. You can’t have two winners. Winning has to do with competition, as in games and sports. Here, there is only one winner because in these events and contests, any tie must be broken.

Instead, we need to move to *sustainable negotiation*, a term I recently coined. In most parts of the world, you no longer do a deal and then leave. Each side has something the other needs, and they must work together to achieve their goals. To do this, you engage in a collaboration that continues to evolve. This leads to repeated contact, discussions and negotiations, constant adjustments, and perhaps alterations to the original contract. Your goal becomes cooperation and balance.

That means you consider the other negotiator as your “mirror” or “twin” rather than your rival. It requires you to stop thinking that person’s culture — perhaps of not valuing being on time, or wanting to go to a movie in the middle of a negotiation — is different and bad. Instead, you must be open to learning from others about alternatives that never would have occurred to you.

It also involves the challenge of a paradox: something else we’re borrowing from quantum mechanics. To achieve sustainable negotiation, you must hold two points of view in your mind at the same time: yours and your negotiating partner’s, even if they sound inconsistent. You are being asked to move *from* the classical negotiation/classical physics approach of *determinism* — you should pick *either* one option *or* another — to the sustainable negotiation/quantum mechanics approach of *probabilities* — two opposing options are not exclusive and you can choose *both* of them if they happen simultaneously.

We will get into more details about sustainable negotiation these *either/or* and *both/and* paradigms in the following chapters.

## “Fortune Favors the Prepared Mind”

Dr. Louis Pasteur said this about the benefits of observation. That certainly was true about his experiments, which led to a process for neutralizing the bacteria that soured milk, wine and beer, as well as vaccinations for anthrax and rabies. The purpose of this book is to give you the same benefit in international negotiation.

Now you know you can embrace the ideas from physics and quantum mechanics as a way to move forward in your career, and to lead your company into more successful international negotiations.

### Chapter 1: Highlights

- *The evolution of ideas about negotiation parallels what happened in physics.* Classical physics, based on ideas from Sir Isaac Newton, worked well for hundreds of years. With the introduction of the microscope, and the ability to study subatomic particles, experiments began yielding results that accepted theories couldn't explain.
- *This led to the new theories of quantum mechanics.* Max Planck's and Albert Einstein's pioneering experiments showed that bodies could have the properties of particles *and* waves. This introduced the ideas of paradox, duality, and probabilities.
- *Negotiation also is evolving.* The last major advance in this thinking happened in the 1980s. At that time, the U.S. and Western European cultures — and the characteristics they embody — dominated the business world. They were largely able to dictate their terms, usually expressed in the game theory of win/win, win/lose and lose/lose.
- *Developing and emerging economies now play by different rules.* As they gain power and influence, governments and companies in these areas require their potential and new partners to do business in a way that conforms to their cultures. Western

companies responded with cultural awareness training, which offers only limited benefits.

- *Sustainable negotiation is a better solution.* It drops “winning” from the equation, instead opting for practices that build long-term (sustainable) collaboration. Here are the strategies for achieving this:
  1. Valuing cooperation and balance
  2. Viewing your partner as a twin rather than a rival and acknowledging cultural differences
  3. Accepting the paradox of holding your partner’s goals and yours in mind at the same time
  4. Moving from the determinism of classical negotiation (and classical physics) to the probabilities of sustainable negotiation (and quantum mechanics).

## Chapter 1: Energy Experiments

At the end of each chapter, you’ll find a series of experiments: on both physics and negotiation. These will help to give you a deeper perspective on some new ideas or assist you with putting what you just learned into practical use.

### Experiment #1: Get the Ball Rolling

1. You want a ball to roll. Place it on the floor. What do you observe?
2. Now push it with your hand or kick it with your foot. What do you see now?

### Experiment #2: How Much Energy Do You Put into a Negotiation?

Remember a negotiation you did earlier this week: at the office, at home or with friends. Then answer these questions:

1. What was the subject of the negotiation?
2. What were the two or more viewpoints or approaches: yours and the other person's/people's?
3. Did you experience one of the parties as having "the upper hand" when the process began? If so, how did this look?
4. Did anyone bring up the idea of a "win/win" result?
5. Did you find yourself asking for more or less than you really wanted?
6. What was the outcome of the negotiation?
7. How satisfied were you with this?
8. How satisfied was the other person/were the other people?
9. Which of these best describes your impression of the experience:
  - a. You got more than you expected
  - b. You got less than you expected
  - c. You got about what you expected
10. How do you feel about the other people involved:
  - a. Are you happy to work with them on the arrangement you negotiated? Why or why not?
  - b. Would you be willing to negotiate with them again? Why or why not?
11. What did you learn about yourself now that you've more closely examined your role in this negotiation?
12. How much energy did you spend on this negotiation? Was it worth it?

*If you want to have your answers and outcomes analyzed by an expert, please visit [www.ubi-orbi.com](http://www.ubi-orbi.com) and contact us. You will get a reply within 48 hours.*