

## Articulating Negotiation Skills: Its Prevalence and Correlates

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### Abstract

This paper aimed to articulate the negotiation skills of stakeholders in various business organizations in the United Arab Emirates, and its possible correlation with the stakeholders' nationality, types of work sector, principal business interest, age, and gender.

Descriptive- quantitative method was utilized in this study and analysis of the data gathered was processed through the use of a statistical software.

Results of the research work showed that collaborating was the most prevalent negotiating skills engaged by stakeholders in the various business establishments in the United Arab Emirates. It was further found out that there was no significant correlation between the prevalent negotiating skills of stakeholders when dichotomized according to age, gender, nature of work, length of work experience and principal industry they were involved in but there was a significant correlation between the prevalent type of negotiating skills used by stakeholders with the work sectors; implying that their being employed in the government, private or semi-private agencies significantly influence their negotiating skill.

Conclusively, various organizations can utilize the information gathered from this investigation to enhance the type of negotiation skills utilized by stakeholders that are expected to achieve the goals of various establishments and may strengthen sustainability and profitability outcomes to the majority of the business organizations in the United Arab Emirates.

**Keywords:** *Competing, avoiding, collaborating, accommodating, compromising negotiation skills.*

### I. Introduction of the Study:

Negotiation and influencing people to happen every day in the daily lives of businessmen, especially those who are in the top echelon, whether stakeholders are employed in private, and semi-private or in government sectors. Businesses are put up and created by people, who later turn to become fellow workers, clients or contacts. Business leaders realize its importance to act in a way that assures individuals are supportive, collaborative and will be there for them, whenever needed.

Negotiating positive relationships comes down to being in the good graces of everyone in the business environment, both as an entrepreneur and moving up the corporate ladder; necessary skills for anyone in business: in Advertising & Marketing, Agriculture, Airlines & Aerospace, Automotive, Business Support & Logistics, Construction, Defense, Education, Entertainment & Leisure, Machinery, and Homes, and other business fields. These points of view apply whether a person is a customer, a CEO, a manager or a salesperson because the ability to influence others to the way of thinking without forcing or coercing is important in all business activities. (Tony Manning, Bob Robertson, 2003)

Negotiation skills and schemes are utilized by stakeholders as a discussion among individuals to reach to a conclusion acceptable to everyone. This has been employed as a process where all the those with interest in the business confer together, appraise the pros and cons of the business and then come out with an alternative which would be beneficial to everyone concerned, or for both groups of stakeholders who are involved in business arguments. (<http://www.managementstudyguide.com>.)

The aptitude of leaders to negotiate effectively across a wide range of business contexts is a core leadership capability. Generally, most executives possess a certain degree of negotiation skills on the job, but enriching these skills need an assessment, if they hope to take these skills to the next level, there is a need to assess the extent to which these are manifested, and the possible correlates to transform negotiation and influencing skills into great ones. (Tony Manning, Bob Robertson, 2003)

It is also noteworthy to mention that stakeholders possessing good negotiation skills plays an important role in every stakeholder's success, either as the owner of an establishment, company or organization, as a manager, as a supervisor or as a line manager, and one's potential for advancement. Good negotiation skills are so important because a person who has the ability to negotiate can build, maintain, and improve important workplace relationships.

However, the negotiating skills of stakeholders may also vary in terms of styles depending upon the nature of business they are trying to negotiate with, the environmental climate or situational circumstances, and other such extenuating factors that may influence how the stakeholders handle a business landscape, including, but are not limited to personal demographic characteristics that may significantly influence their decision-making and problem-solving approaches to negotiating.

Thus, the researchers underwent this research endeavor to articulate the negotiating skills of stakeholders and its possible correlation to selected variables.

### *1.1. Objectives of the Study*

The main objective of this paper was to articulate the most prevalent negotiating skills of stakeholders, and further aimed to identify which among the demographic variables were possible correlates of the negotiating practices of stakeholders in selected agencies in the United Arab Emirates.

### *1.2. Research Questions*

The most specific research questions addressed in this research work were as follows:

R1. What is the most prevalent negotiation skill of stakeholders in various business organizations in UAE?

R2. Do the most prevalent negotiation skills of stakeholders in various business organizations in UAE significantly correlate with their nationality, age, gender, nature of company (private, semi-private, and government), length of work experience; and the principal industry of their company or organization?

### *1.3. Research Hypothesis*

The prevalent negotiation skills of stakeholders of business organizations in UAE are not significantly correlated with the following independent variables:

- a) nationality,
- b) age,
- c) gender,
- d) length of work experience,
- e) nature of the company,
- f) principal industry.

### *1.4 Conceptual Framework*

This research undertaking was anchored on concepts about negotiation and the various types of negotiating skills which were utilized and practiced by stakeholders in various industries in the United Arab Emirates. There were five distinct negotiation styles addressed to Competing, where the negotiators that demonstrate this style of negotiating are results-oriented, self-confident, manifest assertiveness and are focused on the bottom line. Stakeholders have the tendency to impose their points of view on other stakeholders, and in excess cases, they can become aggressive and be domineering the principal interest of the company of the stakeholders.

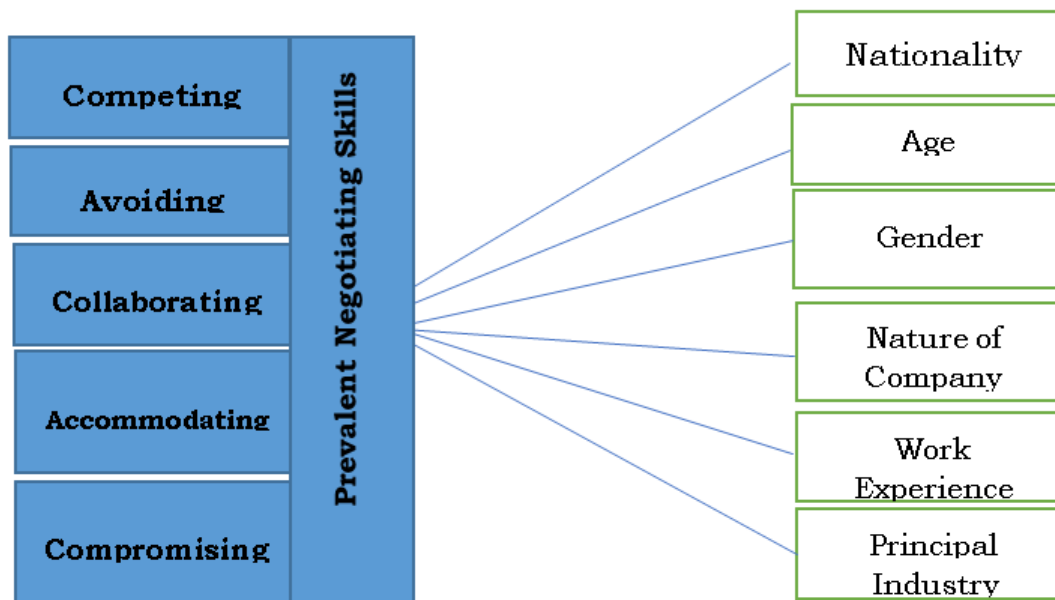


Figure 1. The Schematic Diagram of the Conceptual Framework

The Avoiding style is manifested by negotiators who are passive, they prefer to shy away from problems and difficulties, withdraw from the situations and tends to pass the responsibility of the tasks to the other party. Negotiators who utilized avoiding style fail responsibility on another party and fail to show adequate concern or make an honest attempt to solve challenges in situations.

The Collaborating style of negotiators demonstrated an open and honest communication, that focus on looking for creative solutions that will satisfy and mutually bring a feeling of attained goals for both parties, these negotiators are exposed to discovering new and novel elucidations, and at the same time are presenting many approaches and alternatives to address major concerns (Holley, Jennings, & Wolters, 2009).

Negotiators who are utilizing the Accommodating style attempt to maintain relationships with the other stakeholders, smooth over conflicts, downplay differences and are most concerned with satisfying the needs of the other party. The Compromising style of negotiation allow that negotiators exhibit a style which aimed to find a middle ground; negotiators often that shows the negotiators that exhibit this style aimed to find the middle ground, often divided the reasons and justifications, these negotiators are frequently engaged in a give and take tradeoffs, and often consent to the moderate satisfaction of the needs of both teams of stakeholders. (R.G. Shell, 2009).

Principled negotiation is applied also as a conflict approach which is the process that begins when one party perceives that another has negatively affected, or is about to negatively affect, something that he or she cares about. (Thomas 1992a, 653; 1992b).

Mitchell posited that (2007), "Stakeholders in various organizations apply negotiating skills while dealing with employees, negotiating with other supervisors to coordinate the operation of the departments and workgroups; negotiating and influencing on many issues with employees from performance goals, and even on vacation schedules; salaries of job candidates; or even after work, at home; one's negotiating and influencing skills are needed". Mitchell, further pointed out that being a good negotiator also make stakeholders more efficient because instead of spending hours arguing with people and trying to force them to do matters which are not favorable for them, agreements can be reached, solutions to tough problems can be provided, and moving ahead in one's work can be more easily done. (Mitchell, 2007))

This research undertaking moreover, that the styles of negotiations may be associated with such variables as age, differences in race, gender, national origin, nature of work, length of work experience, and

## II. Research Methodology

### 11.1 Research Design of the Study

This research work utilized the descriptive- quantitative method to determine the prevalent type of negotiation skills of stakeholders and the possible significant correlation between the negotiating skills with the selected variables.

The respondents of this research undertaking were the stakeholders of various organizations in UAE who were randomly selected to be participants of the survey. These respondents worked in private, semi-private and government sectors, and were employed in the different emirates of UAE, and were involved in varied principal industries and agencies in the United Arab Emirates.

The data collection method comprised of descriptors about the various types of negotiating skills; these items were gathered from references that were considered to be relevant to the present research work. Snowball sampling technique was employed in identifying the respondents of the study where the existing stakeholders also recruited and connected with other stakeholders from among their acquaintances and fellow employees in various fields. These stakeholders came from the different emirates in UAE who worked in government, semi-government and private institutions. The items in the questionnaire were classified according to the type of negotiating skills: Competing were on 1, 7, 13, 16, 17, 22; Avoiding are described in questions 2, 5, 10, 18, 25; Accommodating were on items 3,9,15,20,24; Collaborating 4,8,12,19,21, while Compromising were on questions 6, 11, 14, 16,23.

Cronbach's Alpha was used to establish the reliability of the questionnaire which yielded a reliability index of .91. A value of 0.7 and above is acceptable to manifest the reliability of the data-gathering instrument. (George, & Mallery 2003). The questionnaires were distributed to stakeholders who were employed in various business organizations in UAE, after being assured that the information that will be obtained from their responses will be dealt with the highest form of confidentiality. The data which were gathered were calculated and the results were analyzed to address the research questions.

The profile of respondents in terms of nationality, the location of the business establishment, age, gender, and nature of company/work sector, was analyzed using the frequency counts and percentages, and mean was utilized to ascertain the prevalent negotiation skills of stakeholders in various organizations in UAE; while ranking was used to identify the most prevalent negotiating skills.

*Table 1. The interpretative scale on the negotiating skills of the stakeholders in business establishments in UAE.*

Mean Range	Verbal Interpretation	Rank	Descriptions
4.21 – 5	Very High	5	Most prevalent
3.41 – 4.20	High	4	More prevalent
2.61 – 3.40	Moderate	3	Fairly prevalent
1.81 – 2.60	Low	2	Less prevalent
1 – 1.80	Very Low	1	Least prevalent

Pearson product moment of correlation was utilized to measure the relationship between the prevalent negotiation skills of stakeholders of business organizations in UAE and selected demographic variables such as the stakeholders' nationality; age; gender; nature of company where they are employed, length of work

experience; and the principal industry of the organization where the stakeholder-participants were currently working or were affiliated with.

### III. Results and Discussions

#### III.1. Demographic profiles of the Stakeholders

Among the stakeholders, 4% belong to those under 20 years old, 44% were 20-30 years old, 36% of the stakeholders were from 30-40 years of age, 10 % with 40-50 years, 4% with 50-60 years of age, and 2% who were above 60 years old.

As to gender, there were 74% of the respondents who were male, and 26% were female, 16% of the respondents of the study worked in government institutions, 10% in semi-private but the biggest percentage of the stakeholders worked in private institutions.

In terms of length of work experience, 14% of the respondents have below 5 years of work experience, 16% 5-10 Years, 28% were those with 10-15 Years of experience, 16% with 15-20 Years, 11% for those with 20-25 Years, 9% for those with 25-30 Years, and 6% of them have more than 30 years of experience in their assigned work. The longest work experience among the stakeholders was with those with 10-15 years, with 28%, followed by those with 5-10 Years and 15-20 years of work experience with 16%. There were 14% of the stakeholders who had below 5 years of work experience, while there was only 6% of those who have more than 30 years.

The profile of stakeholders in terms of their principal industries showed that there were 32% among the stakeholders, the top principal industry, was on Construction, Machinery, Real Estate and Homes; Business Support & Logistics, with 21%, 12% of them worked on Agriculture, 10% both on Advertising & Marketing, Entertainment & Leisure. 9% of the stakeholders on Airlines & Aerospace, Automotive including Defense, 7% were on Finance & Financial Services and Food & Beverage, Retail & Consumer Durables.

The highest percentage where the stakeholders were affiliated with, were in Construction, Machinery, Real Estate and Homes with 32%, second, by those working in Business Support & Logistics, with 21%, followed by those in Agriculture, and 10% from Advertising & Marketing, Entertainment & Leisure.

Those in Airlines & Aerospace, Automotive (including Defense) constitute 9%, Finance & Financial Services and Food & Beverage, Retail & Consumer Durables, were both 7% each, and 2% of them were employed in Healthcare & Pharmaceuticals.

8% among the stakeholders who were respondents of the study worked in Insurance, Utilities, Energy, and Extraction Manufacturing, 5% were in the Telecommunications, Technology, Internet & Electronics industries.

#### III.2. Research Problem 1. The prevalent negotiation skills of stakeholders

As shown in the table below, the most prevalent negotiation skills which are utilized by stakeholders in various business industry and organizations in the United Arab Emirates is *collaborating*, which yielded a mean score of 3.49.

Table 1. Mean scores reflecting the most prevalent negotiation skills

Indicators	Mean	Ranking/Interpretation
a) collaborating	3.49	1-Most prevalent
b) avoiding	3.42	2-More prevalent
c) accommodating	3.40	3-Fairly prevalent
d) competing	3.33	4-Less prevalent
e) compromising	3.09	5-Least prevalent

The result as shown in the table may imply that the prevalent negotiating skill of stakeholders in various organizations is collaborating; when handling situations and circumstances in a business transaction, stakeholders tend to do things so that both parties can get what they want from the negotiation.

In collaboration, they suggest creative solutions that allow both of us to get what we want from the negotiation, and that if the other person compromises their position, majority were also willing to compromise their position in return.

Likewise, it is noteworthy that the second more prevalent negotiation skill is *avoiding*, with the mean score of 3.42; this mean score may imply that the stakeholders also have the tendency to avoid difficult issues to keep the negotiation from getting nasty, and may, if the situation warrants, to do almost anything to keep from having to engage in negotiation. Accommodating ranked 3<sup>rd</sup>, competing was the 4<sup>th</sup>, while the least used negotiating skill is *compromising*. Stakeholders may look into this approach to mean that in every negotiation, both sides have to evaluate whatever they give or get something in return, and which may imply that both parties make a settlement of differences by mutual agreement, make some adjustments for the benefit of both parties, through modification of demands.

### III.3. Research Problem 2. The correlation between the prevalent negotiating skills and selected variables

Table 2 presented the data reflecting the correlation between the prevalent negotiation skills and the selected variables.

As shown in the table, a p-value of 0.455 was derived between the negotiating skills and Age, which is interpreted as not significant, since the p-value is significant  $< 0.05$  level and this result implies that the hypothesis is accepted. This is interpreted to mean that the prevalent negotiating skills utilized by the stakeholders, is not correlated with whether they belong to the younger or older group, the p-value between the prevalent negotiating skills of stakeholders and Gender, and was 0.141.

On the other hand, the p-value of the paired independent variables, negotiation skills and nationality is 0.719, which is interpreted to be not significant at @.05 level of significance; the p-value between Negotiation Skills and length of work experience is 0.581, between Negotiation Skills and location of the workplace, in any of the seven emirates, the p-value is 0.348, while the p-value of 0.120 is the correlated value for Negotiation Skills and type of industry.

With these p-values between and among the paired variables, the hypothesis which cited that the prevalent negotiation skills of stakeholders of various organizations do not significantly affect the prevalent negotiating skills utilized by stakeholders in business industries, was accepted.

Table 2. Significance of correlation between the prevalent negotiating skills of stakeholders and selected variables

Paired Variables	P-Value	Interpretation	Status of Hypothesis
Negotiation Skills and Age	0.455	Not significant	accepted
Negotiation Skills and Gender	0.141	Not significant	accepted
Negotiation Skills and Nationality	0.719	Not significant	accepted
Negotiation Skills and Length of Work Experience	0.581	Not significant	accepted
Negotiation Skills and Work Sector	0.002	Significant	rejected
Negotiation Skills and Type of Industry	0.120	Not significant	accepted
Negotiation Skills versus Location of Workplace	0.348	Not significant	accepted

\*significant @ 0.05 level of significance

These results may imply that the prevalent negotiation skills of stakeholders of various organizations is not significantly influenced by their *age*, whether they belong to the younger or older group, whether they are Expatriates or Emirate, male or female, or whether their work location is in Abu Dhabi, Sharjah, Fujairah,

Ajman, Umm-al Quwain, and Dubai, do not significantly influence the prevalent negotiating skills used by these stakeholders in the various organizations in United Arab Emirates.

On the other hand, based on the results of the data gathered, between the paired variables of the prevalent negotiation skills and *work sector*, whether the stakeholders are employed in a government, private, or semiprivate institutions, the *p-value is* .002. In this instance, this p-value on the variable work sector, the hypothesis is rejected, and is interpreted to mean that the prevalent Negotiation Skills of stakeholders is significantly correlated to the work sector of the stakeholders; this result may further imply that the type of negotiating skills utilized by the stakeholders are highly influenced by the nature of the organization they are employed in, whether they are employed in the government sectors, private sectors or semi-private sectors.

#### IV. Conclusions and Recommendations

Based on the results of this research endeavor, it came out that the most prevalent negotiating skills engaged by stakeholders in the various business establishments of the United Arab Emirates is *collaborating*; which implies that the stakeholders of various establishments utilize rules and procedures, include agreements on the process, behavioral and communication rules, flexible, supportive, seek leverage to solve problems, search for mutual gain solutions, and considers that the focus of argument is the problem, and not about the stakeholders who are involved in the negotiation.

Age, gender, length of work experience and principal industry are not correlates of the type of negotiating skills utilized by the respondent stakeholders. However, the result showed that in terms of *work sector*, whether the stakeholders are employed, either in government agencies, private or semi-private institutions, significantly influenced one's choice of negotiating skills.

As implied from the results of this research undertaking, developing new ideas into strategies that become intuitive will allow stakeholders the opportunity to practice concepts, including consistent communication with other expert negotiators to improve one's skills. As database of professional relationships grow, the challenge to manage hundreds of contacts become stronger.

Business professionals who are planning to succeed as business negotiators need to recognize the power of thorough preparation; research, creating negotiation checklist of tasks to be accomplished, enlisting a negotiation coach to help, and if possible, to role play a negotiation scheme with trusted colleagues or with a family member.

Moreover, to be more prepared in the negotiation table, business negotiators need to take a proactive approach to negotiation training; to be ready to make mistakes because negotiation training can be a humbling enterprise: link online, organize contacts and stay in touch with networks of friends, colleagues and business associates, and benchmark from their negotiating experiences.

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