
Cooperative vs. Competitive Negotiators

By Lothar Katz

Some people think life is a zero-sum game: for them to win, someone else needs to lose. They drive a tough bargain and strive to come out ahead in every deal they make. Quite a few of them work in sales roles, as they are usually persistent, tough, and focused on getting the best deal possible. However, folks with this mindset are rarely among the top performers within their profession, at least in the United States.

That's because most Americans believe in the value of "win-win." As negotiators, they prefer a cooperative style, trying to identify mutually beneficial solutions that allow both sides to gain more than they have to give up in order to reach agreement. For instance, a salesman may toss free service into the deal when you're buying a new car, rather than further reducing the price. The value to you is higher than the cost to them, so both sides stay ahead. Similarly, a large company may offer a smaller one co-promotion opportunities under the condition that they accept other terms of a proposal. Again, both sides may get incentives they consider valuable which might not cost the other side much.

The beauty of a win-win approach is that reaching agreement is often easier, that both parties are usually more committed to what they view a fair deal, and that future negotiations between them will likely take place in a spirit of cooperation and trust. Proponents argue that top players in business succeed by constantly creating win-win situations rather than by leaving a trail of losers in the dust. Simply put, negotiating cooperatively "makes sense."

Different Negotiation Styles

As already mentioned, not everyone seems to agree. Some people may prefer compromising, others are fiercely competitive, and others again can be outright adversarial when negotiating. This spectrum becomes even more pronounced in international business. As a matter of fact, while individual negotiation styles vary all over the world, different cultures seem to have different preferences. Here are the four primary styles one may encounter:

1. Cooperative-Compromising Negotiators

These negotiators often have a propensity for finding compromises that require both sides to move from their previous position simultaneously. They may suggest to "meet in the middle" or promote "shared gain/shared pain" approaches. They may pursue win-win strategies as well but may not spend much energy on finding the best solution.

This style is often preferred in egalitarian cultures, especially those where people generally dislike bargaining and haggling. Examples are Sweden, Norway, Finland, or Thailand. When dealing with such people, keep your offers to within the range of your true expectations and do not haggle much over items.

2. Cooperative-"Win-Win" Negotiators

This is the win-win style many Americans prefer. It unites the parties in a problem-solving mission to find a solution that maximizes the value of the deal for both of them.

This style is preferred by people in many other countries, for instance most in Western and Central Europe, India, Japan, as well as in Latin American countries such as Argentina or Venezuela. In all of them, negotiations are most productive if offers and their benefits to both sides are clearly explained. Keep in mind that non-tangible benefits such as gains in status or prestige can play a big role, too.

3. Competitive-Cooperative Negotiators

All negotiations inevitably include elements of competition. However, people who prefer a competitive-cooperative style focus their energy on getting the better side of the deal. They often strive to get the most favorable terms for themselves without being overly concerned about the other's outcome. Smart negotiators will adopt cooperative elements as well, but only because they realize that deals leaving a bad taste in the mouth of the "loser" are not in their best interest.

Competitive-cooperative negotiation styles dominate in Asian countries like China, South Korea, or Pakistan, in the Middle East and many countries around the Mediterranean Sea, in Eastern Europe, and in places in Latin America such as Brazil. Remain calm, refuse extreme offers, and insist on reciprocity of all concessions when dealing with such negotiators.

4. Competitive-Adversarial Negotiators

Lastly, these are people who believe that a good deal requires "fighting it out." They may use all kinds of pressure and aggression tactics, such as anger, warnings, threats, or walkouts. Some of them are even convinced that deals that were reached without strong conflict are not likely to last long.

Proponents of this style are primarily found in Russia, Ukraine, and a few other former East Bloc countries. With a competitive-adversarial negotiator, it is vital to remain firm and persistent, to avoid being intimidated, never to take anything personally, and to remain constructive without giving in to any pressures.

Lothar Katz is the founder of Leadership Crossroads. He has a wealth of experience in achieving productive cooperation across cultures and driving business success on a global scale.

A seasoned former executive of Texas Instruments, a Fortune 500 company, he regularly interacted with employees, customers, outsourcing partners, and third parties in more than 25 countries around the world. These included many parts of Asia, e.g., China, India, and Japan. Originally from Germany, he has lived and worked both in the United States and in Europe.