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A Cross-Cultural Negotiation Role-Play for Sales Classes

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A Cross-Cultural Negotiation Role-Play for Sales Classes

Daniel Herlache, Stefan Renkema, Shannon Cummins and Carol Scovotti

Purpose of the Study: International sales jobs are plentiful; yet many marketing students do not pursue them. This study describes an international negotiation teaching innovation that improved student awareness of both the challenges and rewards of a career in international sales.

Method Design and Sample: The use of a cross-cultural negotiation exercise in sales classes from two countries is tested to provide an experiential learning opportunity in a computer-supported, collaborative learning setting. Prior research has shown that the use of web-based technology can enhance collaboration and construction of knowledge (Comeaux and McKenna-Byington, 2003). Students first engaged in a virtual ‘get-to-know you’ exercise. Following lectures on cultural differences and team negotiations, they followed guidelines of a fictional cultural briefing to conduct a cross-cultural negotiation exercise. Throughout the experience, students completed surveys and maintained journals.

Results: The innovation increased student knowledge of sales and negotiations while simultaneously improving attitudes toward, and confidence in, international collaboration. Students reported higher intent to pursue international sales careers over the control group.

Value to Marketing Educators: Business schools and sales students can increase job market competitiveness through intercultural skill development (Kurpis and Hunter, 2017; Delpechitre and Baker, 2017). Despite progress in sales course offerings, international exposure is still lacking. Soft skills, such as cultural literacy, are considered key to success in the job market (Tuleja, 2014). This negotiation exercise between classes is a realistic way to enhance intercultural skill development within the sales curriculum.

Keywords: sales, role-play, education, cross-cultural, negotiation

Companies, and their sales functions, are increasingly international in scope (Panagopoulos et al. 2011). The rapid technological advance that makes global communication available in real time has helped fuel this change. The intersection of these trends creates an environment where cross-cultural interaction in sales is commonplace. In the past, global sales were considered “advanced” and were reserved for more experienced members of the sales team (Mintu-Wimsatt and Gassenheimer, 2004). Today, with growing demand for cross-border talent (Mayerhofer et al. 2004) coupled with an aging sales workforce accounting for nearly a quarter of U.S. workers above age 55 (Hayutin et al., 2013), organizations need entry-level salespeople capable of contributing to cross-border sales teams, even in support or market generation roles.

While sales programs are working to address the shortage of prepared entry-level professionals, many graduates are still ill prepared for or not interested in international sales careers (Delpechitre and Baker, 2017; Honeycutt and Thelen, 2003). Scholars have shown that improving student understanding of the changing role of professional selling in the marketplace, including increased teamwork and the enhanced use of technology, can improve the intent to pursue a sales career (Oviedo-Garcia, 2007). This innovation addresses these challenges by using virtual team role-plays to practice cross-cultural sales negotiations.

Incorporating cross-cultural awareness and international selling skills into university sales curriculum is not easy. Many sales programs use models of experiential learning exemplified by the role-play (Cummins et al., 2013). While this pedagogy has shown to enhance learning, it is not always simple to extend the technique to cross-cultural learning. Most
university student populations are limited in geographic reach and cultural diversity. Even within online courses, opportunities are limited. Study abroad is often unaffordable. The result is sales graduates that are underprepared for cross-cultural interaction, making them less competitive on the job market (Kurpis and Hunter, 2017) and less able to practice adaptive selling in culturally complex situations (Delpechitre and Baker, 2017).

SALES EDUCATION INNOVATION

This exercise should be scheduled after basic skills of negotiations are discussed to facilitate any improvement of cross-cultural competence. The innovation addresses student awareness of cultural differences by providing an opportunity to engage in both personal dialogue and a professional negotiation. Primary objectives are to improve cultural competency and drive student interest in international sales. The goal was quantified by measuring student responses on the Intent to Pursue a Sales Career instrument (Peltier et al., 2014) and the Intercultural Collaboration Interest scale (Scovotti and Kowalski, 2013).

The Association to Advance Collegiate Schools of Business (AACSBB, 2011) suggests that globalization is one of the most significant ongoing changes in business education and should not be ignored. Internationalization at home initiatives provide students with high impact cross-cultural experiences without leaving campus (Jon, 2013). One method used to internationalize curriculum is to have students work with peers at a foreign partner institution. Such experiences provide students located in different countries the opportunity to work together on a common, discipline-specific task, while simultaneously navigating the logistical and cultural complexities of intercultural collaboration (Scovotti and Spiller, 2011). They also help students gain experience with the use of collaborative web-based platforms, such as WebEx, GoToMeeting, Skype, Facebook Live, and G Suite for business purposes.

Innovation Description, Delivery and Materials

One Dutch and one American university collaborated on the role-play. Each team consisted of one American and one Dutch student. Half of the teams received an “Alphan” briefing sheet and the rest received a “Betan” version. The Alphan (stereotypical American) culture was characterized as individual, informal, impatient, direct, emotional, and aggressive. The Betan (stereotypical Japanese) culture was more collective, formal, patient, indirect, unemotional, and passive. Students were asked to practice and adopt the assigned negotiating styles during the role-play. Role-plays were conducted between one Alphan team and one Betan team. Participant demographics are in Appendix A. All students had completed other sales courses prior to the assignment. Two additional sections of the Dutch course served as a control group. The following paragraphs describe step-by-step details of conducting the innovation.

Twenty-four teams were formed using a CATME Team Maker survey (CATME.org). During team formation, emphasis was placed on availability times of students (using Greenwich Mean Time or GMT), leadership preferences (themselves, someone else, or collaborative), big picture versus detail orientation, and software skills. A live lecture was conducted via WebEx for both the US and Dutch students in which strategies for overcoming cultural differences and team negotiation techniques were discussed. Next, teams were challenged to interact virtually to get to know each other so each team member could introduce his or her partner via a videoconference with the instructors. Each student prepared a PowerPoint slide that contained information about his or her teammate and shared it during the conference call. This “Introduce Your Partner” exercise helped students become more familiar with teammates while improving comfort in interacting virtually. Students were free to use any apps or social media platforms to prepare for the introductory exercise, but all used WebEx to introduce their partners.

Following the introductions, students reflected on the experience by writing a short journal entry. During the following week, students practiced and prepared for the negotiation role-play.

The fictitious role-play scenario is about two companies, each from a different country. The challenge is to negotiate to finalize an agreement to purchase/sell robots. Developed in 1984 by Thomas Gladwin, the scenario is based on a negotiation between GE and Hitachi. Materials are available from Lewicki, Saunders, and Barry (2013) and include long-range strategic objectives, results of preliminary talks and prior agreements, a list of issues requiring decisions, and a summary of their assigned country’s negotiating style to emulate during the role-play.

Teams were assigned 30-minute time slots, with 20 minutes to conduct the negotiation role-play, and 10 minutes reserved for discussion and feedback. Each instructor prepared adjacent rooms at their respective campuses (with computer, internet, and sound capability); one for Beta students and one for Alpha students. Prior to the start of the role-play, instructors introduced a chat function in WebEx that allows private communication between student partners. Interestingly, many teams did not use the tool. The instructors were present but silent during the negotiation.

The negotiation exercise was halted at 20 minutes, at which time the instructors questioned each team about the experience. Students were asked how they thought it went, their perceptions of the other negotiators, how they prepared, issues that arose, why they made specific choices, etc. After the exercise, the American students wrote a short paper about the experience (see Appendix B). Only the American students received a grade for the project.
INNOVATION TESTING & RESULTS

Prior to team formation, participating students in both countries were sent a link to the pre-survey that included statements from the Intent to Pursue Sales Career (ITPS) scale (Peltier et al., 2014), the Intercultural Collaboration Interest scale (Scovotti and Kowalski, 2013), and three questions regarding negotiation. The survey was administered again to all participants and the control group following the negotiation exercise (post-survey). Twenty-three Dutch control responses were received. Of the 49 role-play participants, 37 (75.5%) completed the pre-survey and 41 (83.7%) completed the post-survey. Only those that responded to both surveys (34 / 69.4%) were included in the analysis. Appendix A details respondent demographics.

All survey questions used a five-point Likert scale in which 1 = “strongly disagree” and 5 = “strongly agree.” A paired sample t-test was conducted to assess the differences in student perceptions before and after the experience. All statements for scale items were first analyzed independently and then summed based on the identified dimensions. A similar process, but using independent sample t-test was followed to compare the post-survey results to the control group. Table 2 in Appendix A provides the results of ITPS and intercultural collaboration interests scale dimensions as well the single-item questions regarding negotiations for both the control and experimental groups. Table 3 contains the results of independent sample t-tests of pre- and post-survey results by country.

Significant differences were found pre- and post-survey on two dimensions of the ITPS instrument: sales profession (t = 10.904; p <.001), and sales knowledge (t = 2.856; p <.01) dimensions within the experimental group. There were no significant differences within the experimental group between the pre- and post-survey results for the selling ethics (t = - .692; p >.05) or salesperson opinion (t = 1.044; p >.05) dimensions. This was expected given that the experience did not directly involve ethics or perceptions of salespeople. It should also be noted that all participants were marketing or sales majors that had completed multiple sales courses. This may have contributed to the lack of an impact on the intent to pursue sales measure within the experimental group (t = 1.086; p >.05).

There were significant differences between the post-survey scores of the experimental and control groups on three of the four ITPS dimensions, as well as the intent to pursue a career in sales measure. Specifically, the experimental group responded more favorably than the control group on the sales profession (t = 2.889; p <.01), sales knowledge (t = 3.190; p <.01), selling ethics (t = -3.905; p <.01), and intent to pursue a sales career (t = 4.248; p <.001) measures. Results suggest that the innovation positively influenced learning and career considerations.

The intercultural interest dimension was part of a broader scale that was developed to measure student interest in pursuing a career in international business. The three items used from this scale include: 1) level of enjoyment working with people from diverse cultures; 2) ability to work with people from other cultures; and 3) level of comfort working virtually. Significant differences were found among the participating students before versus after the exercise (t = 6.391; p <.001), as well as between the experimental and control group at the conclusion of the exercise (t = 7.869; p <.001).

The remaining single-item questions specifically addressed negotiation skills. While there was not a discernable change of opinion within the experimental group regarding interest in learning how to negotiate with people from different cultures before versus after (t = 1.099; p >.05), there was a significant difference between the post-survey experimental group and the control group (t = 3.588; p <.001). A second statement had students rate how effectively they could negotiate with someone from a different culture. Both pre- and post-survey results (t = 2.199; p <.01), as well as comparison between the experimental and control groups (t = 4.187; p <.001), were significant. Results suggest students developed confidence in their own intercultural negotiation skills. The final item asked students to assess the degree to which they modified their approach to negotiations based on cultural differences. As expected, students participating in the exercise experienced a significant change (t = 2.992; p <.01) pre- versus post-innovation. No difference was found between the experimental and control groups (t = 1.833; p >.05).

Significant differences were also found between the Dutch and the US students on three of the four ITPS dimensions both before and after the assignment. The Dutch students’ summated scores for sales profession were significantly lower in both the pre-survey (t = 4.861; p <.001) and the post-survey (t = 4.168; p <.001). Similar results were found for the sales knowledge dimension (pre – t = 2.515; p <.05; post – t = 5.575; p <.001). Interestingly, the Dutch students’ summated pre- and post-survey scores for the sales ethics dimension were significantly higher than their US counterparts (pre – t = 3.200; p <.01; post – t = 3.318; p <.05). These results suggest that although all participants were sales or marketing students, country had an impact on perceptions about the sales profession.

Another interesting finding was the lack of differences in both pre- and post-innovation interest in working with people from other cultures. While the experimental group experienced a significant change in opinion about intercultural interest, there were no meaningful differences between the countries. This suggests that regardless of country, students share a similar interest in working with people from other countries.

There were no differences discovered in the pre-survey for the single item statements. However, in the post survey, the US students indicated a substantial change in their ability to negotiate effectively with someone from a different culture (t = 2.264; p <.05) and their ability to modify negotiation approach based on cultural differences (t = 2.957; p <.01). It can be argued...
that the changes among US students were a reaction to their first intercultural working experience.

Some teams maintained their assigned cultural roles during the role-play, while others (Betans) quickly reverted to their own culture. Two teams carried the Alphan role to the extreme and went so far as to become insulting to the Betans. A few adapted to the other team by changing their own approach to adjust for their opponent’s behavior. As expected, the negotiations were of varying quality. Some students used the techniques they learned in class and role-played the scenario well while others did not. Most negotiations began in a distributive style when an integrative style would have yielded better results. Many of the Alphan teams ignored the visual and social cues given by the Betans and failed to adapt to their style. Many of the teams were highly contentious, seeming to forget that the scenario involved two firms with shared interests and goals and they had already agreed to work together over an extended period.

The 10-minutes for post-negotiation review was very beneficial to the students and important to the learning process. Giving immediate feedback helped students integrate the experience. The American students were required to write a retrospective journal regarding their experience and what they took away from it, which helped to clarify and reinforce learning.

HOW THE INNOVATION ADDRESSES THE PROBLEM

This innovation provides sales instructors with a way to increase learning and competency with virtual teamwork, cross-cultural competency, and international sales and negotiations. The process outlined in this project impacts student readiness to pursue an international sales career. This innovation specifically addresses and increases cross-cultural negotiation skills, but could readily be adapted to role-play other elements of the sales process. The American students, writing in a post experience journal, overwhelmingly responded favorably to the experience. Dutch students indicated they favored this experience over regular lectures, noting that they not only liked collaborating with students from a different culture, but also that the exercise itself better prepared them for their final course negotiation assignment.

POTENTIAL CHALLENGES & ADAPTABILITY OF THE INNOVATION

One major issue when working internationally is the time difference. The CATME Team Maker Survey facilitated collaboration between the students on a team level and was heavily weighted toward student availability using GMT. There was only a three-hour window available for the “introduce your partner” exercise, and the negotiation role-play activities. Thus, each exercise required three days to complete. When collaborating virtually, it is preferable to have all same-school students in one location when possible. When students teleconference on their own into a group session, technical issues may arise with sound, video, and limited bandwidth.

This innovation requires access to a virtual collaboration tool (e.g. WebEx, Skype, Go to Meeting, or others). Some are expensive while others are free. It is beneficial to have technology support prior to, and during the interactions, to prevent and quickly address issues. Student interactions can be performed using any computer or tablet; however, it is suggested to use university computers prepared in advance in two separate rooms when conducting role-plays. Specialized hardware, software, and recording rooms are not necessary. To find a partner school of separate geography and cultural dimension where language will not be a barrier, start with the university’s foreign partner institutions. Scheduling multiple, shorter meeting times can overcome differences in time zone, and term and course schedules. Given the positive results and responses of participating students, such innovations are an important and effective first step toward increasing interest and ability in international sales careers as well as building student intercultural competencies.

REFERENCES


Jon, J. E. (2013). Realizing internationalization at home in Korean higher education: Promoting students’ interaction with international students and


Appendix A

Table 1 – Participant Demographics

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Control</th>
<th>Experimental</th>
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<tbody>
<tr>
<td></td>
<td>NL only</td>
<td>Total</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>34</td>
</tr>
<tr>
<td>Major</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sales or Marketing</td>
<td>21</td>
<td>31</td>
</tr>
<tr>
<td>- Other Business</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>- Non Business</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Degree Progress</td>
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<td></td>
</tr>
<tr>
<td>- Yr 1, 2 / Fr. So.</td>
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<td>1</td>
</tr>
<tr>
<td>- Yr 3 / Jr.</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>- Yr 4 / Sr.</td>
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<td>17</td>
</tr>
<tr>
<td>Gender</td>
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</tr>
<tr>
<td>- Female</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>- Male</td>
<td>20</td>
<td>28</td>
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<tr>
<td>Have Prior Sales Experience</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Have a Passport</td>
<td>19</td>
<td>25</td>
</tr>
<tr>
<td>Have Traveled Internationally</td>
<td>23</td>
<td>27</td>
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Table 2 – Results Comparison: Experimental versus Control Groups

<table>
<thead>
<tr>
<th>Dimension / Single Item</th>
<th>Experimental Group Results</th>
<th>Control Group Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre Mean (SD)</td>
<td>Post Mean (SD)</td>
</tr>
<tr>
<td>ITPS Sales Profession summed score</td>
<td>20.32 (3.914)</td>
<td>25.18 (4.152)</td>
</tr>
<tr>
<td>ITPS Sales Knowledge summed score</td>
<td>22.47 (3.277)</td>
<td>23.88 (3.756)</td>
</tr>
<tr>
<td>ITPS Selling Ethics summed score</td>
<td>18.29 (4.865)</td>
<td>17.95 (3.869)</td>
</tr>
<tr>
<td>ITPS Salesperson Opinion summed score</td>
<td>9.18 (1.585)</td>
<td>9.47 (2.121)</td>
</tr>
<tr>
<td>ITPS Intent to Pursue Sales Career summed score</td>
<td>11.79 (3.082)</td>
<td>12.06 (2.707)</td>
</tr>
<tr>
<td>Intercultural Interest summed score</td>
<td>12.22 (1.618)</td>
<td>14.29 (1.255)</td>
</tr>
<tr>
<td>I have a strong interest in learning how to negotiate with people from different cultures</td>
<td>3.91 (.830)</td>
<td>4.09 (.830)</td>
</tr>
<tr>
<td>I can negotiate effectively with someone from a different culture</td>
<td>3.44 (.660)</td>
<td>3.82 (.673)</td>
</tr>
<tr>
<td>I modify my approach to negotiations based on cultural differences</td>
<td>3.47 (.825)</td>
<td>3.91 (.712)</td>
</tr>
</tbody>
</table>

* t-values between experimental and control groups based on a comparison of Post scores only.
* = p <.05; ** = p <.01; *** = p <.001;  ns = not significant
### Table 3 – Experimental Group Results Comparison: Dutch versus US Students

<table>
<thead>
<tr>
<th>Dimension / Single Item</th>
<th>Pre Results</th>
<th>Post Results</th>
<th>t-value / signif.</th>
<th>t-value* / signif.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dutch Mean (SD)</td>
<td>US Mean (SD)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ITPS Sales Profession summated score</td>
<td>17.63 (3.519)</td>
<td>22.72 (2.421)</td>
<td>4.861***</td>
<td>22.56 (4.033)</td>
</tr>
<tr>
<td>ITPS Sales Knowledge summated score</td>
<td>21.06 (3.395)</td>
<td>23.72 (2.675)</td>
<td>2.515*</td>
<td>21.13 (2.754)</td>
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<tr>
<td>ITPS Selling Ethics summated score</td>
<td>21.25 (4.250)</td>
<td>15.67 (3.804)</td>
<td>-4.016***</td>
<td>19.63 (3.722)</td>
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<tr>
<td>ITPS Salesperson Opinion summated score</td>
<td>9.13 (1.089)</td>
<td>9.22 (1.957)</td>
<td>0.176 ns</td>
<td>9.19 (1.999)</td>
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<tr>
<td>ITPS Intent to Pursue Sales Career summated score</td>
<td>10.19 (3.103)</td>
<td>13.22 (2.315)</td>
<td>3.200**</td>
<td>10.63 (2.419)</td>
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<tr>
<td>Intercultural Interest summated score</td>
<td>12.13 (2.187)</td>
<td>12.94 (1.259)</td>
<td>1.317 ns</td>
<td>11.88 (1.295)</td>
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<tr>
<td>I have a strong interest in learning how to negotiate with people from different cultures</td>
<td>3.88 (.957)</td>
<td>4.28 (.669)</td>
<td>1.405 ns</td>
<td>3.75 (.775)</td>
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<td>I can negotiate effectively with someone from a different culture</td>
<td>3.31 (.793)</td>
<td>3.56 (511)</td>
<td>1.047 ns</td>
<td>3.56 (.629)</td>
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<tr>
<td>I modify my approach to negotiations based on cultural differences</td>
<td>3.25 (.775)</td>
<td>3.67 (.840)</td>
<td>1.504 ns</td>
<td>3.56 (.727)</td>
</tr>
</tbody>
</table>

* = p < .05;  ** = p < .01;  *** = p < .001;  ns = not significant
Appendix B

Self-Reflection Journal Instructions and Representative Responses

Journal Role-play Instructions: Your task is to describe your reactions, perceptions, impressions, or significant insights gained from participation in (or reflection on) the simulations. Length of these observations is not critical, but should include some of the following points:

a) What you expected in the situation?
b) How you prepared for the negotiation?
c) How you and your opponent behaved?
d) What you learned about your skills?
e) What you would do differently the next time around?
f) How frustrating it is to deal with people whose styles differ greatly from one's own?
g) How easy it is to be judgmental in one's observations about other cultures ("Counterparts' Style")?
h) How difficult it is to "do as the Romans do," even for a very brief period?
i) Did the Betans use silence as a negotiating tactic? If so, describe its efficacy, and what you learned from it.

Journal Responses:

"This was the most intriguing negotiation we have done. It was a great experience to collaborate with someone from a different culture and see how they would approach a negotiation. I learned how to effectively work with someone from a different culture. I learned collaboration is not always on your time, and cross-culture communication can be frustrating when working with different calendars. I really strengthened my collaboration skills."

"A big lesson I learned from this negotiation experience is that communication, especially when dealing with international business, is key. This is something my partner and I struggle with at the beginning... Part of this lack of communication can be attributed to the cultural differences."

"The international collaboration helped me to open my eyes to how important understanding cultural differences in international relationships can be. This was also a good opportunity to step outside the traditional American style of negotiating and see what it felt like to do businesses from another culture’s perspective. I hope to have the opportunity to apply this to perspective at some point in my sales career."

"This negotiation was a situation that I had been looking forward to for months. I expected that this would be a great learning experience for all of the students involved and that it would be a unique opportunity for me. I did not think that I would get the chance to negotiate with someone halfway across the world until after I would graduate."

"I think that the most important thing I learned during this negotiation is how to work with people from different cultures. I thought it was interesting how they approach problems and situations, because I had to adapt my style to better meet their needs. I found this to be both challenging and exciting."

"The negotiation was the most challenging of the course. This role-play had two variables that changed the negotiation format dramatically: working with students from across the world and using online video chat instead of negotiating face to face. Both, changed every aspect of how communication was carried out."

"I had a lot of fun negotiating in that moment and with getting know and work with my partner. I attribute our compatibility to the pairing system, and I’d stretch as far as to say that we have become true intercontinental friends!"

"Everything leading up to this negotiation made me extremely nervous and unsure of what would happen. I got to know my partner a little bit through social media, our partner introduction project, and through messages we would send back and forth on Instagram... Overall, I think that this was a really valuable exercise to do."