

# Who Has the Most Influence on the Success of Negotiation? Logic Ability, Decision-Making Ability or Observation Ability?

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Abstract: In this study, through analyzing which of these three abilities had the most important influence on negotiation success by reviewing relevant literature and collecting 172 questionnaires, through data display. After searching and reading the literature of the abilities that negotiators must have, Based on the article "Negotiation, Communication, and Decision Strategies Used by Hostage/Crisis Negotiators" written by Suleyman Hancerli in 2008 and MR. Song Laifang's literature analysis of "The Ability That Negotiators Should Have", they focus on three compatibilities: decision-making, logical and observation on negotiation. The author's paper proves the necessity of three abilities in negotiation.

Keywords: Negotiation Success; Communication; Decision Strategy; Decision-Making; Logical; Observation

## 1. Literature Review

Table 1

Independent Variable ( X )	Dependent Variable (Y)
Logical Ability	Negotiating success (maximum benefit)
·Decision-making Ability	Negotiating success (target precision)
Observational Ability	Negotiating success (improved quality)

## 1.1 Logical Ability

Nauckūnaitė mentioned that in order to convince the audience, the negotiator must provide relevant evidence and follow the logic of rules to reason regularly. It seems that logic and reason should be seen and heard more than the image and emotional appeal of a negotiating opponent. (Below Figure 2 is about importance of logic)

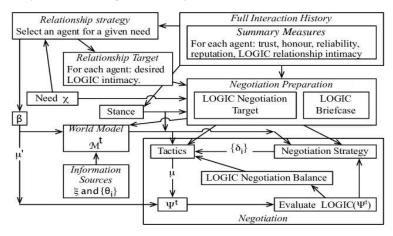


Figure 2

In negotiation, logical ability is summed up in one sentence: "Be able to quickly summarize the other party's point of view, and express one's own point of view clearly." We all know that negotiation mainly depends on the ability of language communication, and excellent language communication ability is inseparable from Develop strong logical thinking ability. According to Alfred Tarski's famous analysis, the author states that the logical system must be a set, and the hypothesis belongs to a true set, then the hypothesis is correct in any case. (Tarski, 1995). According to the author's analysis, it can be seen that the entire negotiation process is a rigorous and flexible logical mind map. New variables may be continuously inserted in the middle, resulting in continuous changes in the cause and effect. Such a high-frequency changing environment requires negotiators. Possess strong logical thinking ability.

The authors Binmore and Vulkan also mentioned in their research that strong logical thinking ability can draw all received information into a "negotiation map" to help negotiators identify all possible favorable and unfavorable factors, and quickly seize the other party's logical loopholes It is used to refute and weaken the bargaining power of the opponent, and it can also summarize and adjust its own information chain and evidence chain in a timely manner in the negotiation to deal with the changes that may be caused by new information, minimize the adverse effects or learn from each other's strengths, and finally realize the maximizing benefits (Binmore &Vulkan, 1999).

In Zohar's research on the art of negotiation, the author breaks down the negotiation process into nine steps, the fourth of which is closely related to the ability to think logically - "Listening with Four Ears". Why is "listening" closely related to the logical ability to negotiate? Because only by carefully completing the "listening" part, the negotiator can clearly and accurately summarize the other party's point of view and the other party's bottom line from the other party's statement, and then make a statement of their own point of view based on their own bottom line and expectations. There are two worlds in negotiation, one is the real world and the other is the inner world. Real business negotiation is a means of effective communication. Step into the customer's inner world, speak and write "logically", and you are a master negotiator. To be logical, we must first have a clear proposition and a clear and clear conclusion. Secondly, the relevant elements must be analyzed from the perspective of logical opposites. Find out the blind spot in your own thinking in the opponent's argument - "On the premise of not changing the original direction, try to correct the track so that the other party can resonate." In this step, the author writes in detail how negotiators should listen to the other party's speech during the negotiation process, in order to summarize and analyze the other party's spoken and unspoken information to understand the other party's possible hidden information (Zohar, 2015).

Listening is the premise of expression and an essential part of negotiation. Summarizing and summarizing the content of listening requires the negotiator to have strong logical thinking ability to distinguish what the other party really wants to express and what is hidden.

Logical reasoning is a hotbed of language expression, and the ability of expression reflects the negotiator's image, emotion, logic level, cognition and knowledge and other dimensions of ability levels. In the process of logical reasoning, the language personality of the negotiator is expressed through the emotion of the speaker, and the language enthusiasm of the negotiator is more a language technology, which creates a certain emotional image of three-dimensional thinking. This encourages the audience to empathize with the negotiation content and proposal, indicating that logical thinking skills can help us solve problems in the negotiation where there is no consensus. (Mokšeckienė & Dailydaitė, 2013).

In the book Kobunsha argues: Logic, logic, always need logic. In the negotiation, if you want the other party to change, you need skills and methods to persuade the other party. It takes a certain logic to make the other party feel reasonable about your point of view. Only when the logic is rigorous and the expression is clear will it not be easy for the other party to find faults. At the same time, it is also necessary to learn to think from the standpoint of the other party, and this logic means that loopholes will not easily appear after changing their positions. (Kobunsha, 2016) An excellent negotiator must be an excellent communicator. In the book, the author shares useful logic analysis methods, such as McKinsey's logic pyramid and analysis methods such as MECE, SCQA, and BATNA are all logic An effective way to organize things can accurately extract the other party's and one's own views and move forward and back freely during negotiation.

## 1.2 Decision-making Ability

In order to better study decision-making ability, we studied some papers related to decision-making ability in the past. Firstly, we

summarized the different definitions of decision-making ability in the literature. Song believes that the decision-making ability in negotiation is based on the observation ability and the comprehensive ability to make decisions by using thinking judgment and logical reasoning (Song, 2012). Skagerlund et al believe that decision-making ability refers to the ability to support one's decision-making in negotiation by reasoning about cognitively complex information without considering the field (Skagerlund et al., 2022).

Skagerlund et al believe that people with stronger time perception will have stronger decision-making ability in negotiation (Skagerlund et al., 2022). In the traditional decision-making model, the decision-making process is rational. People will calculate the utility and probability of all alternative schemes and finally make a decision. Later studies have proved that the decision-making process will be affected by individual behavior cognitive bias and decision sensitivity. Many previous studies have proved that in negotiation, computing ability, memory ability, general intelligence and executive function are closely related to decision-making ability. Most people will think that computing power is related to decision-making ability to a great extent, but after research, it is found that people's time perception ability has a far greater impact on decision-making ability than computing power. In negotiation, the representation of time can navigate for their own decisions. Time perception refers to the ability to make timely and accurate decisions in negotiations, and also refers to the temporal and spatial processing of decisions.

Andrade and Ariely believes that people will directly use the emotional judgment of past experience for current or future decision-making, so emotional factors have a great impact on decision-making ability (Andrade & Ariely, 2009). Emotion is short-lived for us, but in the study, emotion has a much longer impact on decision-making than emotion itself. The influence of emotion on people's decision-making is also known as emotion induction and emotion manipulation. Research shows that this influence affects people's decision-making ability through at least the following two mechanisms, behavioral consistency and false consumers. Behavioral consistency refers to the tendency of people to make emotional decisions in the past and continue to make decisions in the future. False consensus means that people intuitively and wrongly think that others have the same ideas and ideas with themselves. That is, people will use wrong inferences about others for future decisions. At the same time, positive emotions can stimulate more cooperation rather than self-behavior, while negative emotions are the opposite.

Wei and Zheng believe that people with clear and ambitious goals in negotiations have better decision-making ability, and have higher expectations for their own negotiation achievements (Wei & Zheng, 2008). according to the power dependence theory, the party with higher power has higher BATNA quantity and value. Relevant studies have found that the negotiation decision-makers with higher BATNA have higher aspirations and aspirations, (Pinkley, 1994). At the same time, other studies have shown that ambition mediates the relationship between high BATNA and negotiation performance (Wolfe & Meginn, 2005). Therefore, we believe that whether there is a broad and clear goal affects the decision-making ability of negotiators to a certain extent, making negotiators have more decision-making space in negotiations.

## 1.3 Observational Ability

In the process of studying observational ability in this paper, we have browsed a large number of literatures on observational ability, and summarized the different definitions of observational ability in these literatures. In negotiation, the authors argue that carefully constructed peer observation opportunities contribute to negotiating skill development. Observations can not only improve the quality of results (as measured by transaction scores), but also increase the effectiveness of negotiations (as measured by frequency metrics). These two scores provide a measure of the negotiation process and outcome (Loes & Warren). Alison Doyle believes that in the negotiation, one needs to have strong logical thinking ability or reasoning ability first, followed by observation ability, collect first-hand information for the negotiation scene, Only later can a smooth decision-making process be ensured because decisions are based on factual data (Doyle , 2021).

Borbély believes that observation influenced the success of the negotiations. Negotiating requires keen insight. Negotiators should pay attention to observing each other's behavior in the process of negotiation, so as to find out what the other party thinks. Generally speaking, in terms of gestures, open hands means acceptance; clenched fists mean defense; when the opponent's hand is firmly grasping the edge of the table, it proves that your point of view is critical, or that your point of view will be attacked. It should be pointed out that judging words and deeds is a very complex issue, and a comprehensive judgment should be made in combination

with the specific situation at that time. Therefore, the negotiators themselves need to have keen insight, otherwise the judgment based on experience alone will lead to wrong conclusions and affect the final decision. (Borbély & Caputo, 2017)

As a negotiator, you should have logical skills, decision-making skills, and observation skills. I interviewed people around me about how you understand your observation skills. The interview results show that some people think that observational ability is simple and does not play an important role in negotiation, and some people think that observational ability is an important parameter before making a decision. So, what is observation? Observation is a purposeful, planned, and relatively long-lasting intuitive action, an advanced form of perception. The sharpness of observation determines how much and how little information can be obtained from a person. That is, only a keen eye can better grasp as much information as possible about a person you meet for the first time. Through a lot of literature research, in short, if we want to get orders, want to develop, and want to expand market share, what we should pay attention to is the actual needs of the product market and the actual needs of customers, not what we have. What are you selling, what you want to sell. Observing and analyzing the posture and actions of the negotiating opponent during the negotiation process is an extremely important method and means for the negotiator to obtain negotiation information and understand the opponent.

When negotiating, be good at observing words. "Watch out for the oval smile," says Dr. Irvin Grant of the University of Birmingham. That's because the smile isn't from the heart. Gestures, movements, and other silent language convey information in such a way that the sender of the information is sometimes difficult to control. Because language itself is sent out intentionally and consciously by people, and gestures and movements, although people can also consciously control them, are more carried out in people's unconsciousness or subconsciousness. Only after a clear understanding of the other party's position and point of view can one correctly propose one's own policy and countermeasures.

## 1.4 Negotiating Success

The concept of negotiating success has different definitions in different studies according to the nature of negotiation. In business negotiation, most of them regard the success of negotiation as the criterion of whether they can reach better conditions or gain greater benefits in the negotiation or negotiation agreement. In most studies on business negotiation, experiments are used to measure the success of negotiation. For example, with business negotiation as the background, the two groups of people represent different companies, and the success of the negotiation is measured according to the final agreement, such as equity distribution, purchase amount and the proportion or quantity as judgment criteria. Therefore, after conducting a series of literature research review, our group decided whether to obtain greater benefits in the negotiation as the criterion for the success of the negotiation (Yan et al., 2018).

### 2. Methodology

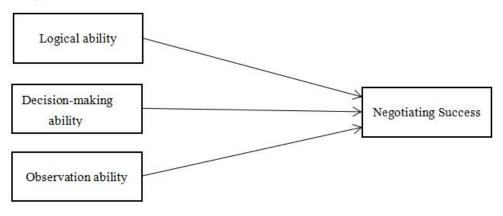


Figure 3

# 2.1 hypothesis

- > H1: Logical ability has the greatest influence on the success of negotiation in the negotiation process;
- > H2: Decision making ability has the greatest influence on the success of negotiation in the negotiation process;
- ➤ H3: Observation ability has the greatest influence on the success of negotiation in the negotiation process.

## 3. Data analysis

In this survey, we adopted the research method of questionnaire survey and collected 172 valid questionnaires to test the above three hypotheses.

The data shows that 92.98% of people believe that logical ability play an important role in the negotiation process, 88.31% of people believe that logical ability is the most important tool for inferring and judging the other party's goals and needs, and 92.4% of people believe that Meticulous logical thinking is embodied in being good at summarizing the views of both parties. 80.11% of people think that negotiators with stronger decision-making ability will achieve better negotiation results, 92.99% of people think that negotiators' emotional stability during decision-making is conducive to successful negotiations, and 91.23% of people think that negotiators are in the decision-making process. Having a clear goal at the time is more conducive to successful negotiation. 87.71% of people think that negotiators have accurate time perception ability when making decisions, which is conducive to successful negotiation.

In terms of the influence of observation ability on the success of negotiation, 60.82% of people think that ambiguous answers in negotiation are a sign of lack of confidence in themselves, 63.74% of people think that if the other party shows a contemplative expression during negotiation, they should pursue the victory, 71.34% % of people think that by refuting the other party, they can learn more about the other party's concern about the problem.

Among the 172 people who filled out the questionnaire, 74 people (42.69%) believed that logical ability had the greatest influence on the negotiating success, and 37 people (21.64%) believed that decision-making ability had the greatest influence on the negotiating success. 61 people (35.67%) believed that observation ability had the greatest influence on the negotiating success.

To sum up, H1 is valid, H2 and H3 are not valid.

## 4. Conclusion

According to the literature review research, questionnaire survey and data analysis research conducted by our group, we have come to the conclusion that H1 is valid, H2 and H3 are not valid, that is, logical ability has the greatest impact on negotiating success in the negotiation process. Decision-making ability is not the greatest influence on the success of the negotiation in the negotiation process. Observation ability is not the greatest influence on the success of the negotiation process.

The respondents believe that the reason why decision-making ability is not the most important in the negotiation process is that decision-making ability is more about target analysis and time perception, and sometimes decisions are made not by individuals but by team choices. The respondents believed that in today's business negotiations, the negotiating skills of both parties are becoming more and more mature, and they do not rely on observing each other's expressions and attitudes to obtain the information needed for negotiation, and they have a better understanding of each other's information, so the ability to observe is not in the most important factor in negotiation.

## 5. Suggestion

Both parties to the negotiation can obtain the relevant information of the other party in advance, understand the other party's minimum goal, and understand the advantages and disadvantages of both parties, so as to better understand their own logical thinking and achieve better results in the negotiation;

#### 6. Limitation

It is impossible to arrange a simulated negotiation experiment to better judge which of the logical ability, decision-making ability and observation ability has the most important influence on the success of the negotiation according to the actual experimental situation. The data survey only based on the questionnaire may have certain errors and cannot reflect the truest result;

Respondents who fill out the questionnaire do not necessarily understand negotiation skills, which may cause some errors in the research results;

The results of this study are only applicable in most cases, and specific issues need to be studied.

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