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e-Mail Negotiation

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Make the Most of e-Mail Negotiations

When you have to negotiate via e-mail, you need to learn how to cope with its pitfalls.

At a recent social gathering of professionals, the topic of negotiating via e-mail came up. Suddenly everyone had a tale of woe to share:

“My work team is constantly shooting e-mails back and forth,” said Sarita. “But since I’m driving and meeting with clients most of the time, I can’t respond until the end of the day. Often I find out they’ve made a decision on an issue I care about without my input. It drives me crazy!”

“My downstairs neighbor, whom I’ve never met, sent me a hostile e-mail telling me that one of my radiators was leaking and damaging her condo,” said Peter. “I got the radiator fixed, then tried to cooperate on a way to pay for her repairs, which I assumed would be expensive. As I tried to figure out a solution, she wrote me one rude, angry message after another. Finally she mentioned that the repairs would only cost about \$300. Why didn’t she tell me that in the first place?”

“After I interviewed for a job I wanted, my potential future boss started negotiating the details with me via e-mail,” said Christine. “I couldn’t figure out if he had offered me the job or if he was trying to put together an offer—his e-mails were very short, and I didn’t want to annoy him by asking what was going on. Then one day he just stopped responding to my messages. I still don’t know what happened!”

These days, it seems many negotiators have a love-hate relationship with e-mail. We love the convenience and low cost, yet we’ve had unpleasant experiences that make us want to hurl our computers or PDAs across the room.

The good news is that e-mail has the potential to contribute to beneficial agreements rather than undermining them, especially when combined with face-to-face meetings and phone calls. In this article, we describe three problems that often arise in e-mail exchanges and show you how to address them.

Problem No. 1: E-mail leads to subpar outcomes.

Relative to face-to-face talks, negotiations conducted via e-mail can lead to less creative and less satisfying agreements, a number of research studies have found. E-mail negotiations also appear to end in impasse more often than in-person negotiations, as Christine, the job seeker, experienced when her negotiating partner simply disappeared.

E-mail messages lack the visual and vocal cues we depend on when hashing out a deal in person. The “mutual invisibility” of e-mail can cause us to become self-absorbed and overly self-interested, traits that can prevent negotiators from exploring each other’s interests and building a better deal, attorney and mediator Noam Ebner and his colleagues write in the chapter of a recent book.

In addition, as Sarita discovered when her work team carried on without her, e-mail negotiations often move at an unpredictable pace, since people can respond (or not respond) when they like. In group negotiations, those who check their e-mail most frequently can end up controlling the discussion. Those who never have a chance to contribute may choose not to abide by the agreement, to the detriment of the group.

What to do? When facing an important e-mail negotiation with someone you've never met, do whatever you can to meet in person beforehand—or, if that isn't possible, talk on the phone—with the goal of building rapport. In her research, professor Janice Nadler of Northwestern University found that when pairs of participants engaged in a short, informal phone call prior to negotiating the hypothetical sale of a car, they were four times more likely to reach agreement than pairs who didn't have the chance to “schmooze” in advance. Even a little friendly banter at the start of an e-mail message can help negotiators work together more creatively.

You should also set ground rules for your e-mail negotiations. If consensus is a worthy goal for your group, you might agree to wait 24 or 48 hours for everyone to have time to weigh in on a decision. When finalizing an agreement, arrange a conference call or a face-to-face meeting to make sure everyone is on board.

Problem No. 2:

E-mail fosters contention and mistrust.

As Peter found out, e-mail negotiations have the potential to be more contentious and hostile than face-to-face meetings. Why? We tend to feel less inhibited when hidden behind a computer screen.

Negotiators also trust each other less when they meet online rather than in person, again because e-mail messages lack the social cues, eye contact, and warmth that people share when they're gathered in the same room.

Mistrust can become a self-fulfilling prophecy in e-mail negotiations, note Ebner and colleagues. Assuming that Peter's neighbor entered their discussion suspecting that he would not be willing to pay for her repairs, this mistrust might then lead her to view his attempt to work the situation through carefully as a stalling tactic.

What to do? Just as talking in person or picking up the phone can improve cooperation, it can also reduce contention and mistrust. In Peter's case, the simple act of calling his neighbor and suggesting a face-to-face meeting might have been an important first step toward restoring trust.

You can also try to manage anxiety online by sending updates on your progress and by asking questions aimed at drawing out the other party's

5 messages for online negotiators

1. Supplement e-mail messages with phone calls and face-to-face meetings.
2. Set up ground rules for e-mail negotiations in advance.
3. Keep each other in the loop throughout the negotiation process.
4. Use e-mail to craft a series of proposals for your counterpart to consider.
5. Speak up if you don't understand what the other person has written.

concerns. Finally, advise Ebner and his team, don't reject an offer submitted via e-mail immediately; show respect for your counterpart by taking time to think it through.

Problem No. 3: E-mail leads to misunderstandings.

The fact that we can dash off e-mail messages in seconds means that we often convey information sloppily and incompletely online. In Peter's story, his neighbor apparently never communicated the type of damage her condo had sustained or how much repairs might cost—nor did Peter think to ask these important questions. Christine faced a similar lack of context in her online job negotiation. And in a recent *New York Times* article, a real estate agent admitted that her misreading of a client's e-mail caused her to up the client's previous bid on an apartment by \$5,000 rather than lowering it by the same amount, as the client had intended.

What to do? Just because writing an e-mail can be an effortless process doesn't mean it should be. Draft your messages carefully; after all, you're

creating a permanent written record that could be used against you later. Take time to read the messages you receive from your counterparts carefully, too.

In fact, e-mail offers negotiators an excellent opportunity to organize and prioritize their thoughts—perhaps lending e-mail one distinct advantage over in-person meetings. In an e-mail message, you can bundle together a number of different issues and packages to present to your counterpart, note Ebner and his colleagues.

Finally, if you're completely flummoxed by a message from your counterpart, don't hesitate to ask for clarification. Christine may have done herself a disservice by trying to respond to her potential boss's messages without understanding the context.

In sum, e-mail can be a useful supplement to face-to-face negotiations when busy parties are located far apart. But to make sure you fully understand each other, never underestimate the importance of picking up the phone or going the extra mile to meet in person.

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Resource:

“You’ve Got Agreement: Negotiating Via E-mail,” by Noam Ebner, Anita D. Bhappu, Jennifer Gerarda Brown, Kimberlee K. Kovach, and Andrea Kupfer Schneider. In *Rethinking Negotiation Teaching: Innovations for Context and Culture*, Christopher Honeyman, James Coben, and Giuseppe De Palo (eds.), DRI Press, 2009.

A New Program

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Ira and Barry Sagotsky have published an article in August 2009 issue of the Monitor. The article is titled **Trust Based Influence and the Sponsor/CRO Relationship**. The article can be viewed on the home page of our website www.asherman.com or at the ACRP website.

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