

CHAT PHASES, DISAGREEMENTS AND CLAIM BACKING IN
SIMULATED SALES NEGOTIATIONS: AN APPLIED
LINGUISTICS PERSPECTIVE

by

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SUMMARY

This study compared simulated sales negotiations with authentic negotiations. Specifically, three areas of language were considered: *(i)* chat phases, *(ii)* mitigation in disagreements, and *(iii)* argumentation. Findings indicated that greatly reduced use of chat phases in the simulations led to an impoverishment of the interactional aspect of communication. A statistical analysis indicated that mitigation of disagreements was significantly reduced when compared to authentic negotiations. Finally, in spite of the difference noted between professional and non-professional negotiators in the simulated negotiations, a significant increase in the use of argumentation was found in the simulations. Even though further research would be required, it could be hypothesized that these differences may be attributed to the one-off nature of simulations, the absence of a surrounding business context and the intrinsic difficulty of using interactional language in simulations. These factors should be considered when simulations are used and designed for business and LSP training courses.

KEY TERMS

Applied linguistics; Argumentation; Business training; Claim backing;
Disagreement; Discourse analysis; ESP; Genre analysis; Negotiation; Simulations

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Disclaimer

The use of 'he', 'his', 'him' etc. when referring to both sexes is adhered to throughout the text in order to avoid distraction. No exclusion is intended.

CHAPTER 1 - INTRODUCTION

1.1 OVERVIEW

The aims of this study were to identify and investigate salient areas of difference between the discourse of authentic and simulated business negotiations and to assess the implications. Three areas were identified and investigated:

- a. the language of negotiation openings
- b. the use and frequency of marked disagreement
- c. the use and frequency of argumentation

In this chapter, the main issues and orientation of the study will be introduced, with specific reference to the crucial distinction between interactional language (i.e. that aspect of communication that establishes the definition of a relationship between the speakers) and transactional language (i.e. that aspect of language that deals with the external goal or content of communication). The main finding of this study is that there is a significant reduction in the use of explicit interactional language in simulated negotiations and that this reduction is itself largely the reason for the differences in terms of linguistic realisation identified between authentic and simulated negotiations.

1.2 BACKGROUND OF THE STUDY

Negotiation simulations undoubtedly offer numerous advantages both for training and research purposes. In negotiation research for example, whether for business studies or language research, numerous simulations may be taped, allowing the researcher to collect large amounts of data in order to focus on a specific element or elements.

Simulations also overcome the serious problem of obtaining recordings and transcripts of authentic negotiations, given the understandable resistance of negotiators to record their activities. In training, simulations are used as extremely useful 'hands-on' tools for the teaching of negotiation basics and for improving the negotiation skills of practising negotiators. Indeed, it is difficult to imagine negotiation courses today without the use of simulations. Finally, even though the real objectives are not always clear, language training courses also utilize negotiation simulations in ESP training.

Useful as they are, simulated negotiations should not simply be equated with real-life negotiations since there may well be differences which, on occasion, affect both the usefulness and validity of using simulations for training and research. It is therefore not simply a case of arguing, as van der Wijst and Ulijn (1995:348) do in their research into politeness in French and Danish negotiations, that their simulated data may be considered valid for generalisations regarding real-life negotiations because "... our own experience with simulations has shown that negotiators quickly forget that they are playing a role", backing up this claim with: "Often, the negotiators themselves confirm this impression afterwards" (van der Wijst and Ulijn (1995:348)). Nor do Neu and Graham (1995:259) offer more convincing criteria: "To what extent this language mirrors the language actually used in naturally occurring negotiations remains to be

tested - anecdotal evidence suggests that this language does mirror what people do in 'real' negotiations." Neu and Graham do however make reference to a comparative study based on one real-life negotiation and compare it to simulated negotiation data. Although they claim that the "language used appears to parallel the language used in the negotiation simulation." (Neu and Graham 1995:268), the criteria of the study are not given and hence it is not clear what was tested for. On the other hand, Williams (1988) in her comparison between language actually used in business meetings and that presented in text books has demonstrated that what we intuitively take to be language representative of speech events very often differs remarkably from that actually used. Put bluntly, simulated negotiations run the risk of being conceptualised in terms of what participants and researchers 'think' takes place, and not, as in authentic negotiations by what negotiators do when they simply get on with the job. In other words, one should not be surprised if different perceptions of the rhetorical purpose of the event yield different linguistic realisations.

There are studies that question the use of data obtained from simulated material. Donohue *et al.* (1984), for example, in analysing authentic and simulated negotiations in which both competitive and cooperative elements coexisted (i.e. similar to the negotiations analysed in this study), found that "the use of mixed data shows that in authentic negotiations the parties use different communicative tactics than those of simulated negotiations, resulting in more complementary roles", and recommend the use of authentic data only. Bargiela (1993:36), in her study on discourse patterns in British and Italian business meetings, though not looking directly at negotiations, comes to a similar conclusion, arguing that "[s]erious reservations should also be expressed about the use of empirical evidence from simulations and laboratory experiments which do not

use authentic data. The linguistic performance of human subjects operating in contrived settings is bound to be affected in ways that are not always predictable.”

One possible reason for the assumed correspondence between simulated and authentic negotiations is to be found in the way the negotiation event is generally defined, whether from a general business point of view or whether from a more narrowly focussed applied linguistic one; i.e. that of seeing negotiations as self-sufficient events containing all the elements necessary for their interpretation. Another source of conflating the two discourse events derives from focussing on a successful outcome rather than the actual process. Not achieving an outcome in a negotiation (i.e. reaching a deadlock) does not however mean no negotiation has taken place, nor for that matter, does getting a bad deal.

It should be underlined at the outset of this study that I do not wish to argue against the use of simulations. However, an uncritical approach in which authentic and simulated negotiations are equated simply because the same label, i.e. ‘negotiation’ is used for both cannot be justified. This research will accordingly, (i) identify some of the key differences in the linguistic realisation of simulated negotiations compared to authentic negotiations, and (ii) assess the practical application of simulated negotiations in language training which focusses primarily on ESP learners. This dual objective will be approached by first examining the *findings* obtained from research into authentic negotiations in order to identify areas of interaction where the differences between authentic and simulated negotiations are expected to be most marked. In other words, a descriptive framework developed from the study of authentic negotiations will be applied to simulated negotiations in order to assess the differences between these two

types of discourse. These findings will then provide the basis to further investigate the data collected for this research.

1.3. NEGOTIATIONS AS SELF-SUFFICIENT ARTEFACTS

It is only since the sixties that systematic study of negotiations has been undertaken (Lewicki 1986:15). In this short period however, much has been achieved and we now have a much clearer understanding of what actually happens in negotiations and hence far more concrete insights to apply to negotiation training courses. As would be expected, approaches to the study of negotiation have been extremely varied, cutting across numerous disciplines and it is therefore no wonder that, given the demand by business schools, universities and companies for negotiation training courses, applied linguistics also has contributed significantly to this research area.

Most of the contributions by applied linguistics have focussed on the discourse of negotiation as self-sufficient. In other words, as mentioned above, the 'event' itself is defined, usually implicitly, as containing all the elements necessary for its interpretation. Numerous examples of this understanding of negotiations as self-sufficient events may be given. Neu for example (1986:42) considers the distinguishing features of negotiations as follows:

1. there is a minimum of two parties present
2. both parties have predetermined goals
3. some of the predetermined goals are not shared by both participants

4. there is an outcome
5. both parties believe the outcome of the negotiation may be satisfactory
6. both parties want to modify their position
7. the parties' incompatible positions make modification of position difficult
8. parties understand the purpose of the negotiation

More than 'features', as Neu calls them, these are in effect a list of necessary conditions for any negotiation. If any one of these conditions is absent "then the interaction is something other than a negotiation" (Neu 1986:42). It is difficult to disagree with Neu on this breakdown of the conditions for a negotiation. However, a look at the negotiation briefs (Appendix A) used in this research will confirm that not only are these conditions satisfied in the simulations too, but, more importantly, they do not help us to distinguish between simulated and authentic negotiations.

Wagner (1995:9), following Firth, distinguishes between 'negotiation encounters' which are the formally, physically defined, single-location encounters "involving parties with potentially conflicting wants and needs", and 'negotiating activity', which is "interactionally defined, being contingent on the parties' mutual discourse actions". The idea of encounters seems useful as negotiation encounters refer to what may be called 'tacit knowledge' (schemata, frames or 'language games') shared by the negotiators as to what the negotiation is and what the goals of the activity are. Unfortunately, the notion of goals Wagner (1995:10) has in mind once again does not allow us to draw any distinction between simulated and real-life negotiations since the tacit knowledge he refers to is limited to wanting to realise one's goals in the best possible way, the acceptance of having to modify one's initial position and finally the awareness that the

other party controls one's goal (A has goal X, B has goal Z. X is controlled by B, Z by A).

One final example of seeing negotiations as essentially self-contained events is that of Lampi (1986:9) who writes that

“... a negotiation is then finally defined as an interactive activity between at least two parties who have conflicting interests, at least one mutual problem, and who are in the process of looking for a solution to the problem(s) and/or resolving the conflict. Any concepts used to study negotiation activity should focus on the two main aspects: *interaction and phases / developments in problem/conflict (re)solving process* (my italics).

Here too the definition fits simulated negotiations perfectly (the inclusion of ‘interaction and phases’ is however, extremely important and we shall return to this frequently during the rest of this dissertation).

Recently however, criticism has been levelled against this approach of seeing negotiations as essentially self-contained events. According to Charles (1994:2) such a narrow focus gives rise to what she calls the “so-what predicament” and indicates the source of the problem, at least as far as linguistics is concerned, as being that of paying attention only to the linguistic aspect. Thus Charles argues that “strict adherence to the linguistic perspective leads to negotiations being viewed as self-sufficient” (Charles 1994:1) with a subsequent separation between the extralinguistic business context and the discourse produced within it. What the researcher is left with are lists of identified

and labelled moves and sequences without any clear indication of the meaning these might carry for the negotiation process itself. Accordingly the new research question she proposes is as follows: “How is the nature of the business relationship within which a negotiation event is carried out reflected in the interaction of the event?” (Charles 1994:4). In approaching negotiations, Charles therefore prefers to speak of the ‘negotiation relationship’ rather than the ‘negotiation event’, as what is normally referred to as a negotiation “may in fact represent chunks of data fairly arbitrarily delimited to fall in line with predetermined notions of negotiation events” (Charles 1994:47). Indeed, there is frequently a conflict between what negotiators themselves and negotiation consultants see as the negotiation ‘event’. The data collected for my own research would confirm this. This is particularly clear from (though by no means limited to) the beginnings of the simulations. Invariably the running tape recorder was taken as a signal that, ‘the negotiation has begun’, and the initial chat phase was awkwardly rushed through in what can only be described as a perfunctory way.

Given her approach it is therefore not surprising that Charles’ definition of ‘negotiation’ differs significantly from most others; for Charles, negotiations are “one method among many others available to companies in their search for information to be used in corporate decision making within a business relationship” (Charles 1994:4). Not only are the business interests of the parties of utmost significance, but verbal face-to-face interaction itself is understood as a tool, and hence as “one method among other methods used for achieving a certain aim” (Charles 1994:24). In other words, *interaction* is not itself an aim.

When considering simulated negotiations, one of the most immediately noticeable features suggested by the data collected for this research is the way in which the participants deal with the opening phases. This seems to confirm the impression that the participants in the simulations see them as self-sufficient wholes. Similar neat breaks are found in the endings where agreement is taken as the signal that the negotiation has ended and both participants invariably switch off their tape recorders. Interesting in this regard is simulation 3B (APPENDIX D). The seller (it appears) forgets to switch off his tape recorder and promptly goes into a discussion about his performance in the simulation, indicating yet again a clear break in the preceding activity, i.e. the 'negotiation'. In authentic negotiations however, both beginnings and endings can be extremely fuzzy, due mainly to what Lampi (1986) calls the 'chat phases'. Chat phases (included here of course are the initial small talk sessions) according to Lampi (1986:64) "promote interaction orientation in the event, not agenda-item orientation" and function to create the climate for the negotiation and to give the negotiators the opportunity to get know each other. It was this recognition of the apparent completeness of simulated negotiations when compared to authentic negotiations that initially led to this research. Can it be that the participants in simulated negotiations perceive *interaction* as the essential purpose of the event in spite of the apparent paradox that chat phases are, for all intents and purposes, absent? Hopefully an answer to this question may be given by the end of this research. In the meantime however, and at the risk of oversimplification, the following comparison may be made:

- a. in authentic negotiations, interaction is a function of the business goals of the negotiators, i.e. the negotiation event is embedded in the business goals of the negotiators and as such points beyond itself

- b. in simulations the goals of the simulation briefs function to bring about negotiation simulation itself, i.e. agenda items are embedded in the negotiating activity and are accordingly discussed *in order to negotiate*

Thus, if negotiations essentially point beyond themselves, embedded as they are in the goals determined by the business context, then surely activities such as simulations which have as their ultimate goal nothing but their own realisation, may be expected to present significant linguistic differences from authentic negotiations. Nor can it come as a surprise if the participants treat them as self-sufficient artefacts as that is exactly what they are. In short, and the analysis in the following chapters will hopefully confirm this, simulated negotiations, at their highest level of contextualisation actually deny negotiations their ultimate *raison d'être*, i.e. that negotiations are one method among many others available to companies in their search for information to be used in corporate decision making within a business relationship. It will accordingly be argued that linguistic differences between the two events can be traced back to the understanding on the part of the negotiators that, in simulated negotiations they are dealing with a complete event, while, in authentic negotiations, in spite of what negotiators may say about the event, the event is embedded in a larger whole, the context of the business relationship. In this regard, it will be remembered that there is indeed a conflict between what the negotiators and outsiders see as what belongs to the event.

This dissertation will accordingly argue that the main difference between simulated and authentic negotiations is that in the former, the interaction itself is taken as the aim of the event, while in the latter, this is not the case. As a result of these differing aims it

will be argued that the understanding of the negotiation event as either simulated or authentic, can be expected to determine differences in linguistic realisation. A general research question may be formulated as follows: *how is the participants' perception of the negotiation event as simulated reflected in its linguistic realisation?* The research question can in turn be broken down into three more specific questions: (i) how is the participants' perception of the negotiation event as simulated reflected in the language of openings and chat phases? (ii) how is the participants' perception of the negotiation event as simulated reflected in the use and frequency of chat phases? (iii) how is the participants' perception of the negotiation event as simulated reflected in the use and frequency of argumentation? This dissertation will attempt to answer these three questions.

Before moving on to the main body of this study however, I would like to mention a few purely theoretical considerations that initially suggested the possible value of research into the area that is proposed here. These considerations led to the original suspicion, assessed in this study by looking at openings, marked disagreements and claim-backing in the data, (Appendix D), that:

- a. in simulated negotiations participants would have difficulty in developing a relationship or an understanding of personal needs as a strategic part of their attempt to create cognitive dissonance, i.e. a sense of unease in the mind of the other negotiator concerning the position he is adopting. This is no small point. Atkinson (1993:66), for example, points out that experienced negotiators consider effective opponent management one of the principal areas of successful negotiating and he quotes them on the importance of "reacting to your man"

“adjusting your style to deal with his personality” and so forth. It will be argued that the absence of an opening element (see discussion on the IDE framework below - 2.2.2.1 INTERACTION AND TOPIC) is at least partially responsible for this and may be expected to have consequences for the rest of the simulated negotiation.

- b. if the interpersonal element (most apparent in the so-called chat phases) is absent, or significantly impoverished, classifying the simulations as cooperative or competitive would present difficulties. An absence of chat phases and climate setting in general does not necessarily imply a competitive interaction. If anything, it leads to great difficulty in understanding what the relationship between the participants is and to what was described earlier as a feeling of ‘flatness’.

The overriding explanation that will be given, and one which will be argued throughout this research, is that simulated negotiations are seen as self-sufficient events in which ‘what-has-to-be-done’ is equated with the topic focus typical of the discussion of agenda issues phases (‘talking business’) of authentic negotiations. Put otherwise, the participants are expected to adhere to formal negotiation decorum. One argument in favour of this interpretation of simulated negotiation behaviour is that movement away from formal negotiation decorum is potentially disruptive of the activity itself in that it threatens to change the communicative frame from that of the simulation to that of reality. This will be assessed by looking at ways the participants start the activity as they change frame from the real world to that of the simulated world.

One further argument in support of the ‘poverty’ of simulated negotiations comes from the analysis of equivocal language. Basing themselves on Haley’s (1959) research into

incongruent, or disqualified communication, Bavelas *et al.* (1990) break all messages down into four components: sender, content, receiver, and context. Equivocation may be achieved by disconfirming any one of these four aspects. Thus, the universal message, ‘*I am saying this to you in this situation*’, may thus disqualify any of these four elements. In simulations, the *I*, the *you*, and the *context* are all potentially ambiguous; is it the ‘real me’ or the role I am playing? Is it the ‘real you’ or the role you are playing? And finally, dependent on the ambiguity of the *I* and the *you*, is the relationship definition that is perceived ‘part of the game’ or part of reality? I would argue that not only are these three areas sources of potential communication breakdown, but the participants work actively at making them as unambiguous as possible, thereby structurally eliminating interactional language and hence preventing its use as part of negotiation strategy. Interactional language, or rather the lack of interactional language, is expected to be principally used to maintain a state of suspension from reality.

In ESP courses, this feature of simulated negotiations should become even more acute as a result of two further elements

- a. ambiguity of purpose - it is not always clear whether the purpose is the teaching of English, or the teaching of negotiation skills, or, to put it somewhat differently, the teaching of English through the use of negotiations, or the teaching of negotiations through the use of English. This confusion is reflected in ESP textbooks as well, where on one page indications for negotiation strategy may be given, while on the very next, in an apparently arbitrary juxtaposition, language drills are presented. In short, students are frequently unsure of what exactly is being monitored: their ability to use formally correct English or their ability to

'get a good deal'. This ambiguity of goals necessarily leads to an impoverishment of the event.

- b. the negotiator as 'boundary role occupant' (i.e. as representing an organisation or company on the one hand while facing the other negotiator on the other) - this point is closely related to the ambiguity of purpose discussed in *a.* above. Unlike authentic negotiations, participants in stimulated negotiations rarely function in a boundary role. This crucial aspect of negotiations is described by Walton and McKersie (1965:283) as "a set of complementary expectations ... prescribed by someone or some group". In simulations the relationship between the participants and their own companies is wholly fictitious. There is no real pressure from their role as 'boundary figures' between the other negotiators and the company they represent. Yet, research (discussed in Turner 1992) has shown significant language variations depending on changes in this negotiator/constituent relationship. These changes concern four aspects of the negotiator/constituent relationship: *(i)* agreement or disagreement between goals, *(ii)* evaluations of the negotiator's performance, *(iii)* negotiator distance where "differences in goal structure are more likely, the greater the organisational distance between groups" (Walton and McKersie 1965:289), and finally, *(iv)* constituent trust in the negotiator.

1.4 INTERACTIONAL AND TRANSACTIONAL LANGUAGE

The terms 'interactional' and 'transactional' language were first coined by Brown and Yule (1989) in 1983, but the distinction between the two aspects of communication goes

back at least to 1951 (Ruesch and Bateson) who spoke of the 'command' and 'report' aspects of any communication. Watzlawick *et al.* (1967), in formulating the so-called 'axioms of communication', follow Ruesch and Bateson and draw a distinction between the report and command levels of communication as well. The report aspect may be considered synonymous with content, or, as Lyons (1977:32) calls it, 'the intentional transmission of factual, or propositional, information'. The command aspect on the other hand refers, '...ultimately to the relationship between the communicants' (Watzlawick *et al.* 1967:52). This distinction between report and command has been introduced by others as well. Halliday 1970 speaks of ideational / interpersonal language and Goffman (1955) refers to what Bateson and Ruesch call the 'command' level of communication as 'face work'.

It is important to underline the point that any communication necessarily contains both interactional and transactional elements and accordingly there is, as the event proceeds, a continual, ongoing definition of the relationship, which may be expressed in the abstract as: "This is how I see myself in relation to you in this situation" (Watzlawick *et al.* 1967:84), that always accompanies and contextualises all communicative events. According to Watzlawick *et al.* (1967) there are three possible responses to this self-definition on the part of the hearer: (i) confirmation - the hearer basically accepts this self-definition, (ii) rejection - although the speaker's definition is rejected, there is nevertheless a recognition of what is rejected, and the hearer's message may be summed up as "you are wrong", (iii) disconfirmation - this amounts to "you do not exist". As Watzlawick *et al.* (1967:86) put it "... if confirmation and rejection of the other's self were equated, in formal logic, to the concepts of truth and falsity, respectively, then disconfirmation would correspond to the concept of undecidability".

Naturally, this mutual negotiation of the definition of the relationship between interlocutors does not occur in a vacuum. Objective contextual factors such as status, age, sex, purpose of communication etc. come into play and create that background upon which the relationship is built. In authentic negotiations, for example, being a buyer or seller forms part of the context that precedes the encounter. That is to say, buyer/seller talk (Charles 1995:128) forms part of the business community's expectations of 'typical' behaviour, or 'distinctive areas of patterning'. This buyer/seller status-bound behaviour is not something that is negotiated interpersonally and hence open to confirmation, rejection, or disconfirmation; it is an *a priori* element that makes the negotiation encounter possible and thus *precedes* it. What is negotiated on the relationship level (in the sense of accepted, rejected or disconfirmed definition of the relationship) in authentic negotiations is what Charles (1995:134) calls the "enactment of roles", which includes personal decisions to present oneself as, for example, a 'friend', and 'efficient business partner', and as such represents personal interpretations of situational requirements. Moving now from this interpersonal matrix of the real world to that of the simulated world, we find an inevitable impoverishment that must result from the context the participants find themselves in. Here the negotiated element is the buyer/seller relationship itself. In other words, an element that acts as an *a priori* context setter in authentic negotiations, now needs to be mutually established and maintained through communication in negotiation simulations. As the simulation progresses, the participants must, necessarily, continually reconfirm to each other that they are still 'in' the simulation and that the person in front of them is in fact a buyer (or seller) and not 'something else'. Furthermore, unlike the enactment of roles in authentic negotiations which allows for the negotiation of power at local level through various shades of interpretation, the buyer/seller identity does not allow this. Either the

buyer/seller identity is confirmed, and one is 'in' the simulation, or it is rejected, and one is no longer in it. Nor do the participants in simulated negotiations avoid communicating information concerning their definition / understanding of the relationship by avoiding chat phases since Watzlawick's axiom of communication that one 'cannot not communicate', applies above all to the relationship aspect of interaction.

What they do communicate about the relationship, at least as far as the missing opening stage and chat phases are concerned, is that the relationship is 'neutral', or, as mentioned before, a mere adherence to formal negotiation decorum.

Furthermore, the participants might find themselves in a double-bind as far as the interactional aspect of communication is concerned since a phenomenon such as the simulations discussed here could not be possible if the participants were not capable of exchanging signals which would carry the message "this is play" (Bateson 1980:179). That is to say, having mutually established that they are in a simulated world (see the illuminating openings of simulation 3A and 3B where the actual word 'play' is used on more than one occasion to define the activity), all activities within that world are contextualised by that hyper-context, i.e. as part of a simulation, both interactional and transactional aspects are simulated too. As a result, interpreting explicit interactional signals becomes extremely difficult, if not impossible. Anger for example is either 'mere simulated anger', and hence not anger, or, if it is perceived as real, the event steps out of the hyper-context and moves the participants to a new frame, i.e. 'reality'. Or, to give another example, if one participant perceives the other as being particularly 'empathetic' he cannot be certain if this is part of the 'game' or not, and thus cannot

know whether to react to this as part of negotiation strategy, or not. It may be counter-argued that many participants in negotiation simulations admit that they are 'emotionally' involved in the activity, and my own experience during a negotiation training course would confirm this. Nevertheless, I do not see how concern with the outcome can automatically be taken to imply that interpersonal language also becomes part of negotiation strategy. The danger the communication of interactional language runs is that of introducing an element of role play into the simulation. Most simulations make a point of distinguishing between role play and simulations (Jones 1989:15). Role plays, especially those intended as play-acting, expect participants to take on a hidden secondary role in which the participants frequently have to enact emotions as well as facts. However, as Jones (1989:15) argues: "If the facilitator requires the participants to behave with professional intent and at the same time hands out a role card which says 'angry customer' then cross purposes occur". Jones (1989:15) puts this rather succinctly in the following imaginary dialogue between a trainer and a participant after a role-play:

Facilitator: Why did you shout at the shop assistant? Was that the most efficient way of obtaining a refund?

Ex-participant: I was not trying to be efficient or obtain a refund, I was play-acting the emotion of anger.

Similarly, any language which is clearly aimed at developing the interpersonal aspect of the relationship is difficult to interpret: is it part of the 'script'? Is the person 'overacting'? Is he taking the whole thing too seriously? Little wonder that this aspect of negotiations gets played down by the participants in simulations.

1.5 CONCLUSION

A first quick look at the data collected for this research revealed a 'flatness' of language which seemed to be related to: *(i)* the apparent lack of 'interactional' language (Brown and Yule 1989:1 - Cheepen and Monaghan 1990:3) and *(ii)* the excessive use of argumentation. Following these initial impression, the research question will accordingly be broken up into three separate areas of investigation: *(i)* an investigation of the use of interactional language by looking at openings, the phase in which most interactionally oriented language (i.e. chat phases) is typically concentrated, *(ii)* following this, once the theoretical background and research procedures have been dealt with, a look at the use and frequency of marked disagreements in the data in order to compare authentic and simulated negotiations, and *(iii)* finally, in order to assess the use of argumentation, an investigation into claim-backing in the data, once again comparing modality and frequency with authentic negotiations.

CHAPTER 2 - THEORETICAL BACKGROUND

2.1 OVERVIEW

Chapter 2 deals with the theoretical underpinnings of this research. It will first look at the general issues underlying this research as a whole, i.e. a discussion of the role of interaction in negotiations and the structure and organisation of negotiations. This will lead on to the choice of a genre analysis approach this study took. Then, in the second section it will clarify the specific theoretical considerations on which the analysis of the language of openings, marked disagreement, and claim-backing are based.

2.2. SECTION A - GENERAL THEORETICAL CONSIDERATIONS

2.2.1 INTRODUCTION

This study does not intend contributing to or ‘taking a position’ in the debate surrounding the various interpretations of discourse structure. The approach here is much more pragmatic: it aims at drawing up a practical analytical framework which should rely on an objective distinction between authentic negotiations and simulated negotiations on the basis of which it should be able to explain and predict linguistic differences between the two events.

To explain why the above framework criterion is necessary in order to answer the research question, i.e. *how the participants’ understanding of the simulated negotiation*

event is reflected in its linguistic realisation, brief mention needs to be made of the ways in which discourse structure is generally understood. Levinson (1992:286) writes that: “At the risk of oversimplification, there can be considered two major approaches to the analysis of conversation, ... discourse analysis and conversational analysis”.

Conversational analysis (CA), which approaches spoken texts from the local level of conversation, attempts to understand verbal interaction in the way the participants themselves make sense of the event. As such it may be called a ‘bottom-up’ procedure as the first focus is that of establishing the smallest units first - the study of turn-taking mechanisms, adjacency pairs (e.g. preferred and dispreferred responses) and the way politeness is dealt with in conversation. Given this local level, ‘from-the-eye-of-the-participants’ approach, it follows that CA views discourse, rather than as finished product with an identifiable structure, as a developing process. Furthermore, since CA avoids *a priori* theorising in order to allow the data to ‘speak for itself’, it claims that the data is analysed without any preconceived idea of what is likely to be found and hence refrains from making predictions.

Discourse analysis (DA) on the other hand, lays emphasis on function and focuses on “the functional relations with the context of which the discourse is a part” (van Dijk 1985:4). Since context is seen as the ultimate determinant of discourse, it follows that DA has attempted to lay particular emphasis on the predictive power of its analyses. It is also no coincidence that DA has preferred formal spoken discourse to informal conversation since it is obvious, even at first sight, that language such as that used in courtrooms, classrooms and chaired meetings can be more easily understood as complete artefacts with clear beginnings and endings. Much criticism has been levelled against DA by the proponents of CA (e.g. Levinson 1992:284ff). The main thrust of

these criticisms has been precisely against this predictive approach which, it is argued, turns the research process on its head by first deciding what there is, and then proceeding to finding it.

Nevertheless, given the predictive approach of DA it would seem that, at least for the purposes of this study, DA would provide a better approach than CA. CA, while allowing one to produce lists of sequences showing functions and turn-taking patterns would not be of much use in throwing light upon the relationship between the business context within which these functions and patterns have been produced. It will be remembered that the ultimate theoretical underpinning of this study is that it is the business relationship (and its assumed linguistic traces within the negotiation event) that distinguishes authentic negotiations from simulated ones. This is not to say however, that DA is considered in any way 'superior' to CA, but simply that, for the purposes of this study, it is *more useful*. Nor does it mean that the DA model, and specifically that Sinclair's (1988) interactional PRD model (Posit, React, and Determine), which was developed in the highly structured and fairly easily predictable setting of classroom discourse, can necessarily be taken over *tout court* for the analysis of negotiation discourse.

Why then, to come back to the two analytical framework criteria mentioned above (an objective distinction between authentic and simulated negotiations and the ability to explain and predict linguistic differences between the two events), is the predictive ability of the framework important? It will be recalled that in the introduction reference was made to the "so-what predicament". Using CA as a framework would run exactly this risk. So what if patterns of adjacency-pair organisation are found to differ in

authentic and simulated negotiations? So what if turn-taking differs in the events? So what if the frequency of certain speech acts and politeness strategies differed? The mere fact of identifying differences cannot necessarily be used as backing for the claim that authentic and simulated negotiations are understood differently by the participants and hence lead to differences in linguistic realisation. Only if we approach the data with a clear *a priori* notion as to what the essential difference between the two sorts of events are, what to expect *a priori* from the data, why to expect it and finally *finding* it, can the differences in the data have any meaning for us. However, such an approach does run the risk of being guilty of the above-mentioned criticism CA levels against proponents of DA, i.e. that the predictive approach turns the research process on its head by first deciding what there is, and then proceeds to find it. In order to counter this criticism one would need to establish that negotiation 'texts' do indeed have a structure, and not, as CA would prefer, simple organisational patterns which do not allow us to understand negotiation texts as more than incomplete processes within which these patterns can be observed. It is thus to this issue that I will now turn, discussing first the role interaction will have for the purposes of this research and secondly, what sort of structure we can ascribe to authentic negotiations which will (i) allow us to make predictions, while (ii) not imposing patterns on the data, thereby opening up an accusation of circular argument.

2.2.2 THE ROLE OF INTERACTION IN NEGOTIATIONS

In the introduction it was mentioned that most of the contributions by applied linguists have focussed on the discourse of negotiation as self-sufficient and brief mention was

made of the criticism (Charles 1994) of this approach, i.e. that by focussing exclusively on interaction the nature of the business relationship within which a negotiation event is carried remains hidden. I will now deal with this criticism mentioned in Chapter 1 in more detail. First of all, it must be pointed out that the issue is not only whether negotiation discourse can be viewed as self-sufficient, but also whether it is primarily the 'interaction' of this event that needs to be dealt with from an applied linguistics point of view. Secondly, it must be asked whether one can in fact speak of structure, without necessarily implying self-sufficiency? This last point is no small problem as the sort of prediction required by the analytical framework useful to this study requires the negotiation event to be viewed as a 'product' rather than process, while, at the same time arguing that seeing the negotiation event as self-sufficient, and hence as product, would break the crucial connection with the business context that contextualises the event.

2.2.2.1 INTERACTION AND TOPIC

In order to maintain, and indeed throw light upon the relationship between the business relationship and the negotiation event itself, care should be taken in choosing the key determinant of the constituent parts. As already mentioned, most applied linguistic research into negotiations has taken 'interaction' (and hence 'exchange') to be this element. Indeed, in "... negotiation research, ..., the role and significance of interaction has never been an issue: research tends to take the interactive nature of negotiations as a self-evident characteristic" (Charles 1994:23). However, serious criticism has been levelled against this approach by Charles, who argues that "... there would seem to be

something incongruous in analysing negotiations with the help of a methodology that, through its focus, would seem to reduce a negotiation event to *mere* interaction” (Charles 1994:24). It is for this reason that a model that is capable of analysing interaction while not being itself interaction based is required. That is to say, while such a model must be capable of analysing interaction, interaction itself should not be a built-in prerequisite as it is in models taking *exchange* as their key unit of analysis. Thus, no matter how useful ‘interaction’ driven models, common to both CA and DA, may be for the analyses of data at a local level, they cannot be employed to help us to identify differences between authentic and simulated negotiations. Far more useful here is the solution proposed by Charles, who focuses her analyses of negotiations on *topic* rather than interaction, as interaction is merely a tool to be used in pursuing business interests “i.e. one method among others used for achieving a certain aim” (Charles 1949:24). In this regard, Charles (1995:157) argues that “... the analytical framework used to describe any kind of encounter should be such that it accords with the priorities of the interactants themselves. If one is choosing the unit of analysis for casual encounters, it is natural that they should be analysed with the help of units that focus on this interactive level of discourse ... However ... it is just as natural that business negotiations should be analysed with the help of a unit that focuses on the exchange of business information”.

In order to explain why topic is a more useful analytical tool than interaction, a brief description of Charles’ IDE model (Initiation, Development, and Ending) needs to be given. This model was originally inspired by Sinclair’s PRD model (Sinclair 1988), but unlike Sinclair’s model which is based on interaction, the IDE model focuses on topic. According to Sinclair (Charles 1994:22) the PRD model “describes interactive relations between moves in discourse”. That is to say, the model describes rhetorical functions.

Charles however questions the usefulness for understanding negotiation discourse of a model which does not reflect *organisational* (agenda, topic) and *structural* (the business interests pursued by the negotiators) functions within which rhetorical functions are contextualised. Charles (1994:16) uses the term 'embedding' to describe the negotiation event since exchanges can be seen to make sense to the extent that they are embedded in the *goals* of the event. Thus, the various layers of the negotiation are embedded within each other so that "... the apparently simple turn-taking and interaction of negotiations increases in complexity and sophistication with the knowledge that the layer that is currently viewed is only part of a more complicated entity - with patterned structures over and above it, and others likewise within it". Specifically, Charles identifies three layers: (i) the superstructural layer which consists of the negotiating relationship in which the event is embedded, (ii) the macrostructural layer, the event itself, and (iii) the microstructural layer which consists of cycles within the macrostructural layer. Each layer can then be analysed in terms of its constituent elements which are the I (initiation), D (development) and E (ending) elements. Thus, for example, we may speak of the superstructural I, D and E-elements, the macrostructural I, D and E-elements and the microstructural I, D, and E-elements. The main purpose of this breakdown is to allow analysis of interaction while, at the same time, not relying on an interaction based framework. As will become clear from the analysis of the data that follows, topic is better suited for the IDE framework than interaction. Charles argues that this is fundamental since emphasis on interaction (i.e. the analysis of moves, turn-taking and speaker change) runs the distinct risk of losing sight of other aspects of the negotiation such as "the goals and business significance of the topics discussed" (Charles 1994:24). It is for this reason that Charles' approach which focuses on topic rather than interaction has been considered particularly useful for this study. As already

pointed out earlier, a description of the negotiation event that distinguishes between authentic negotiations and simulated negotiations is required if the limitations of simulations are to be examined. A purely interaction based model will not allow this.

Thus, to sum up, the IDE framework offers the following advantage over the PRD model of Sinclair with its focus on interaction:

- a. negotiation discourse needs to be described in such a way that not only interaction, but also the discussion of agenda items (topics and topic development) be described.
- b. the turn-taking approach of interaction based descriptions cannot deal with topic development by a single speaker, i.e. the lengthy development of topic by one negotiator only
- c. the analytical framework used must view the negotiation as “part of the process of creating, servicing and maintaining a business relationship” (Charles 1994:46). In this regard, the IDE framework, which does not see a negotiation event as a complete artefact but as the D-element of the Superstructural layer, is better suited than the interaction approach which does not allow the analysis to go beyond the interaction itself and hence runs the danger of reducing the event to nothing but the interactional part (the macrostructure in the IDE model) only. Such a reduction would not allow us to make any theoretical distinctions between authentic negotiations and simulated negotiations since, as has already been argued in the introduction, it is exactly this ‘event-as-interaction’ that negotiators take as the aim of the event in simulations that distinguishes simulations from authentic

negotiations where the event is embedded in the reality of the larger business community.

2.2.3 STRUCTURE AND ORGANISATION IN NEGOTIATIONS

Organisation in text presents us with an apparent paradox since: “Human discourse is both something highly structured and something highly unpredictable” (Mandelbrot 1965 quoted in Stubbs 1989:87). Not surprisingly text analysis approaches all fall somewhere on this ‘total chaos to rigid structure’ continuum. On the one extreme, and one that will not be investigated here, there is the view that texts have no organisation at all. Others argue that texts have some organisation, but, since they do not have the status of structure “... it is not possible to make predictive statements about text organisation” (Hoey 1991:13). In negotiation research, this approach to text has been the most prevalent, i.e. using the methods of CA to describe organisation while at the same time not relating the analysis to any external goals of evidence and information. Finally, on the other extreme, it is held that texts do permit full structural description which is able to account for the whole text: “Text is perceived as a neatly wrapped up bundle with a recognisable beginning and a recognisable end, and entity, and artefact” (Charles 1994:27). The best known example of this approach is probably that of Sinclair and Coulthard (1975) in their study of classroom discourse. Though well-suited for formal encounters such as classrooms and chaired meetings, the Sinclair and Coulthard (1975) model does not seem ideal with more ‘disorganised’ events such as negotiations in which there is no one clear leading role. A third approach to text organisation comes from Hoey (1991:13) who offers a genre based view as a version of the structuralist

approach. Texts, it is argued, contain certain obligatory components, without which they cannot be recognised as belonging to a particular genre. These are predictable. Hoey (1991:14) argues that this approach offers a sort of half-way house between rigid structuralism and completely unpredictable organisation. However, Charles (1994:30) criticises the generic structure approach as "... the danger inherent in a generic structural analysis ... is that the structure suggested lacks the perspective of communicative purpose, and thus would lack meaning - and therefore powerful validity - to the participants involved in the interaction". As alternative to the Hoey approach, which does attempt to overcome the problems inherent in the Sinclair and Coulthard model, Charles suggests the idea of *generic convention* rather than that of generic structure or organisation. In this she follows the work of Swales and the approach that has come to be known as *genre analysis*.

2.2.3.1 GENRE ANALYSIS AND NEGOTIATION STRUCTURE

The basic difference between the approach taken by Swales (and Miller 1984) and that of Hoey and the proponents of systemic linguistics in general is that Swales focuses on motivating forces underlying discourse rather than structural and organisational descriptions. This would seem particularly useful for this dissertation as it has already been argued that the most fruitful approach to distinguish between authentic and simulated negotiations would be one that centred on *participants' understanding of the event*: in other words, to recall the research question, *how the participants' understanding of the simulated negotiation event is reflected in its linguistic realisation*. This perspective allows Swales to develop the notions of 'generic convention' and

‘discourse community’. Generic conventions, unlike structural descriptions (e.g. Hoey’s generic structures), stem from the participants’ communicative purpose motivated by situational requirements and “the action the discourse is used to accomplish” (Miller 1984:151). That is to say, generic conventions are not structural elements intrinsic to the discourse form and somehow beyond the participants themselves. According to Swales, it thus follows that discourse does not contain a rigid, rank order, hierarchic generic structure which allows us to make categorical structural predictions. Yet, in spite of the absence of such predictable structures, there are distinctive areas of patterning of which “not all data can be shown to categorically fall into these areas, but sufficient data does do so for it to make it worthwhile to explore patterned organisation in greater detail” (Charles 1994:32). Indeed, it is exactly these ‘distinctive areas of patterning’ that this research will attempt to identify in negotiation simulations.

If, then, the patterning of discourse is not determined by only the text itself (i.e. it is not viewed as a self-sufficient artefact) and the individual speakers, how is such patterning possible? Swales argues that it is the communicative *purpose* or goal of a genre which is a major determining factor. He then introduces the notion of ‘discourse community’.

This notion is contrasted with the already familiar notion of ‘speech community’ as used for example by Lyons (1977:326) who defines ‘speech community’ as “all the people who use a given language”, or Hymes (1972:54) who sees it as “... a community sharing rules for the conduct and interpretation of speech, and rules for the interpretation of at least one linguistic variety”. Swales (1990:23) maintains that for the aim of establishing the communicative purpose of a genre, it is necessary to distinguish between the notion of ‘speech community’ and ‘discourse community’, primarily because of the following:

A (...) reason for separating the two concepts derives from the need to distinguish a sociolinguistic grouping from a sociorhetorical one. In a sociolinguistic speech community, the communicative needs of the group, such as socialization or group solidarity, tend to predominate in the development and maintenance of its discursal characteristics. The primary determinants of linguistic behaviour are social. However, in a sociorhetorical discourse community, the primary determinants of linguistic behaviour are functional, since a discourse community consists of a group of people who link up in order to pursue objectives that are prior to those of socialization and solidarity, even if these latter should consequently occur. In a discourse community, the communicative needs of the goals tend to predominate in the development and maintenance of its discursal characteristics.

(Swales 1990:24)

The underlying principle of discourse organisation is, in the case of the speech community, interactional. In the discourse community on the other hand, objectives other than interaction underlie the discourse. Hence, whereas speech communities tend to absorb people into the general social fabric, discourse communities “tend to separate people into occupational or speciality-interest groups” (Swales 1990: 24).

Swales’ notion of discourse community would thus seem to describe negotiation discourse very well. Negotiation interaction (i.e. that part of negotiation discourse that deals primarily with the interpersonal aspect) is primarily functional, not social, and

when social interaction does take place (e.g. in the chat phases), it serves the primary function of the interaction, i.e. furthering the business interests of the parties involved.

Summing up the notion of ‘discourse community’ then, it would appear that the business discourse community shares the overall functional goal of business, i.e. to do business in order to make a profit and all interactional activities, including negotiations, are directed to this goal. Furthermore, as Charles maintains (1990:37): “Discourse community enables us to focus on the norms and expectations of the community that produces the discourse examined, and to see how these norms, values, and expectations receive expression in the discourse of that community”. In short, the discourse community is the community that constitutes and shapes the superstructural layer of negotiations. It can thus be seen that we now have an approach which does allow us to not only distinguish between authentic negotiations and simulated negotiation, but to do so on the basis of predictions as well, i.e. the norms and expectation of the business discourse community as reflected in the negotiation discourse. If it can be shown that these reflected norms and expectations (in the form of distinctive areas of patterning) are absent, or altered in the simulated negotiation discourse, we would be able to both draw conclusions about the differences between the two forms of discourse *and explain them* as well.

2.2.4 CONCLUSION

To sum up, authentic negotiations, in spite of what negotiators may *say* about them, are not self-sufficient artefacts and should therefore not be dealt with as such. Any structure

that may be discerned (i.e. the ‘distinctive areas of patterning’) can be traced back to the norms and expectations of the business community that produces the discourse (i.e. the generic conventions) or to the specific topic situation at hand. Simulated negotiations on the other hand, are understood as self-sufficient artefacts as displayed by the clear beginnings and endings, the lack of contextualising business goals and the fact that the aim of the interaction cannot but be the interaction itself. Differences in linguistic realisation can thus be predicted, and it is therefore to the discussion of these that I will now turn.

2.3 SECTION B - OPENINGS, MARKED DISAGREEMENT AND CLAIM-BACKING

2.3.1 INTRODUCTION

Charles (1994) has identified essentially three areas of sales negotiations in which the business context is influential in shaping language at the local level: *(i)* structural boundaries and topic characteristics, *(ii)* rhetorical conventions motivated by situational requirements, and *(iii)* the exercise of power. In order to answer the research question, *how is the participants’ perception of the negotiation event as simulated reflected in its linguistic realisation*, the analysis of my data will look at the first two of these three areas. First, in Analysis 1, I will look at openings in detail, assessing the language used in simulated negotiations against the backdrop of Charles’s findings on structural boundaries and topic characteristics in authentic negotiations. Then, in Analysis 2, I will turn to an assessment of the use of mitigation strategies in disagreement, making

reference to the rhetorical conventions motivated by situational requirements in authentic negotiations (mainly difference in buyer / seller talk and old relationship negotiations / new relationship negotiations). Finally, in Analysis 3, I will not follow Charles, as power management is part of interpersonal language and such language will already have been dealt with in detail in the preceding two analyses: i.e. openings and marked disagreement. Rather, in this analysis I will look at the frequency of argumentation as strategy since the original hypothesis that interactional language is significantly reduced suggested the following question, 'if it were found that interactional language is not used in order to achieve negotiation objectives, what *is* used in its place?' The suspicion here, once again suggested after the initial reading of the simulated negotiation data, was that participants rely heavily on argumentation as a tactic to achieve their goals. Analysis 3 will accordingly test this suspicion by comparing the use of argumentation in simulated negotiations to authentic negotiation data (Lampi, 1986 and Charles 1994).

2.3.2 ANALYSIS 1 - OPENINGS AND CHAT PHASES

2.3.2.1 INTRODUCTION

Although different terminology is used by various researchers, there does seem general agreement that, at the global level, discourse is organised according to schemata.

Tannen (1979:139) talks of 'structures of explanation' and explains these as:

- based on our experience of the world in a given culture (or cultures)

- organising our knowledge of the world
- using this knowledge to predict and interpret new information, events and experiences

It follows that, once we introduce the notion of ‘discourse community’ these structures of explanation may also refer to the organisational pattern negotiators bring to the negotiation event. This would include how to organise the macrostructural layer (the D-element of the superstructural layer (see 2.2.2.1 - INTERACTION AND TOPIC above), how to ‘behave’ at the beginning, the sequential organisation of topics and how to end the event. Charles (1994:51) argues that: “Although negotiation schemata may well differ in detail in different national cultures, parts of them are inevitably shared by the global discourse community.”

Thus, the macrostructural I-element, being determined through topic, includes everything that happens from the moment the negotiators set eyes upon each other to the moment they begin discussion of the first agenda item. The length of this item is, quite predictably, difficult to determine as it merges with the superstructural I-element. Similarly, the macrostructural E-element, which follows the D-element in terms of sequential expectation, begins when one of the negotiators expresses their intention to end the event and the purpose of the meeting has been achieved because the agenda has been dealt with. In short, being a topic based description we can say that the macrostructural I-element deals with topics unrelated to the business at hand, the D-element with agenda items, and the E-element brings the discussion of the agenda items to an end.

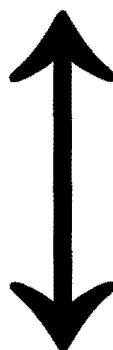
More important however for the purposes of macrostructural analysis is the term ‘topic framework’ which functions to provide a link between the superstructural and macrostructural layers. It will be remembered from Chapter 1 that the authentic negotiation was, in order to differentiate it from simulated negotiations, not limited to the event itself (i.e. an event which contains all the elements necessary for its interpretation), and, following Charles (1994), embedded within the superstructural layer. The notion of topic framework allows us to give substance to that embeddedness as “... the topic frameworks of the macrostructural elements are drawn from the negotiation superstructures” (Charles 1994:64). The schemata of the discourse community referred to above *are* the topic frameworks; in other words, we may speak of the I-element topic framework, the D-element topic framework and the E-element topic framework. What is of relevance to this study is that Charles (1994:96) has found that the schemata shared by the discourse community permeate to negotiation discourse and can be identified “above all, in the boundaries of the macrostructural elements, which thus provide evidence for layeredness in negotiation events”. This means that, in assessing the simulated data, particular attention will be given to the macrostructural boundaries which represent changes in topic framework.

Charles (1994) discusses the macrostructural boundaries in terms of procedural moves and procedural sequences, and it is to these that I shall now turn. Topic change in discourse can be graded according to intensity, and within the IDE framework. At the one extreme are those topic changes that indicate boundaries between macrostructural elements, i.e. they occur between topic frameworks. Next are those that signal boundaries within the macrostructural elements, i.e. within topic frameworks (these latter kinds of topic changes will be dealt with in Chapter 4).

figure 1 - the topic shift scale: macro and microstructural topic shifts

a powerful, sharp change in topic framework

1. marked boundary between macrostructural elements
2. unmarked boundary between macrostructural elements
3. topic shifts within macrostructural elements
4. topic shifts within microstructural elements
5. topic shifts within topic cycles



a slight change from one aspect of topic to another

Topic shifts between macrostructural elements (1 and 2 in fig. 1) are invariably sharp and can be either explicitly marked or unmarked. These boundaries bring about changes not only of topic, but also of topic framework (i.e. from one macrostructural element to another). Linguistically they appear as follows: "... topic framework changes tend to be characterised by lack of surface cohesion. Cohesion and coherence result from the schema of layered negotiation, containing a superstructural layer which gives significance and coherence to the other layers of interaction" (Charles 1994:71).

Unlike the fuzzy boundaries in authentic negotiations between the superstructural and

macrostructural layers, for example fuzzy beginnings and endings (i.e. the difficulty of identifying just *when* exactly a negotiation actually begins or ends), those between the topic frameworks, (i.e the I/D and D/E boundaries) are fairly distinct. Two types of I/D and D/E boundary markers were found particularly relevant for authentic negotiations (Charles 1994:73): (i) speech-in-action (including formulaic expressions), and (ii) the framing and focussing moves which create transactional boundaries in the Sinclair and Coulthard (1975) system of analysis. It was found in authentic negotiation data that the framing and focussing moves always accompanied speech-in-action, or formulaic expressions.

A most useful analysis of speech-in-action in discourse analysis comes from Cheepen and Monaghan (1990) and Cheepen (1988) who classify three forms: (i) speech-in-action used as a platform from which topics are put on offer, and as a source of potential topics, (ii) speech-in-action used as a component in topic organisation, and (iii) speech-in-action used to mark off boundaries in discourse. For the purposes of this section, only the third, which Charles calls 'procedural moves', will be of interest. These are defined as a particular type of metalanguage (Charles 1994:76) and the word 'procedural' is chosen as these moves function to show what is happening, or should be happening, in an ongoing negotiation procedure. Charles (1994:76) argues that procedural moves have the following characteristics:

- a. they give shape and structure to a process by explicitly organising the negotiation process in relation to the extralinguistic goals and purposes of the encounter.
- b this means that, in contrast to other kinds of metalanguage which refer to local discourse organisation, procedural moves have as their referents either concepts in

the negotiation superstructures, or superordinate concepts which are part of the macrostructure.

- c. procedural moves indicate the orientation of the negotiators to an external purpose “a task to be performed, a reason (beyond small talk interaction) for the interactants to come together”.
- d. finally, these moves also make reference to the shared organisational knowledge included in the negotiations schemata of the members of the discourse community.

This brief discussion on procedural moves now needs to be applied to negotiation discourse itself.

2.3.2.2 THE MACROSTRUCTURAL I-ELEMENT, THE I/D AND D/E BOUNDARIES

2.3.2.2.1 THE MACROSTRUCTURAL I ELEMENT

Topic frameworks typically found in the macrostructural I-element are:

1. *the physical aspects and other circumstances of the present meeting.* These would include reference to the participants and the physical setting of the negotiation
2. *circumstances that were a lead-up to the current event; i.e. aspects of the superstructural layer of the negotiations event.* Here one might expect topics concerning preceding events related to business in general, but not mutual

business, business procedures leading to the event, and preceding events not related to business (Charles 1994:114).

The data analysed by Charles presented no examples of impersonal topics, such as 'the weather', 'local food' or other similar topics such as suggested by some writers (e.g. Lees (1983b), O'Connor *et al.* (1992)). Charles (1994:115) argues that during the I-element, the event gets embedded in the superstructural layer and accordingly provides evidence of the layeredness of negotiation events. This is important as far as simulated negotiations are concerned, given that there is no superstructural layer within which to embed the event. Analysis of the individual simulations will thus hopefully throw light on how this element is dealt with.

2.3.2.2.2 THE MACROSTRUCTURAL I/D BOUNDARY

Authentic negotiation data analysed by Charles provided two kinds of I/D boundaries, single move boundaries and those that constitute a sequence of moves. In all the data she analysed, whether the boundaries were single moves or sequences of moves, they were always considered procedural moves, i.e. speech-in-action used for the purpose of marking off boundaries. Briefly then, the boundary moves are either the efficient and abrupt creation of the macrostructural I/D boundary (e.g. *so, what can I do for you?*, *This is getting down to business*), or a more gradual macrostructural transition spread over a number of moves. These included:

- a. announcement of the intention to proceed to the business agenda / external

- purpose of the meeting
- b. announcement / detailed break-down / negotiation of that agenda
- c. acceptance of the agenda

Important for our purposes is the conclusion Charles (1994:85) reaches when she argues that, from the information value point of view “there is very little that is new for either one of the interactants”, and she concludes that the interactants are “... confirming and establishing shared knowledge of the contents of the superstructural layer within which the negotiation is taking place”. In the analyses of the simulations in Chapter 4 it would seem that there is however a lot that is new; indeed, one reality is being left behind in order to enter another and this requires careful and clear linguistic moves on the part of the interactants if it is to be successfully achieved.

2.3.2.2.3 THE MACROSTRUCTURAL D/E BOUNDARY

Charles found that the D/E boundary (though somewhat ‘fuzzier’ than the I/D boundary) and the I/D boundary seemed to stand in a complementary relationship to each other. It was found that:

- a. whereas the I/D boundary refers to the purpose of the event, the D/E boundary refers to the purpose having been achieved
- b. the I/D boundary tends to have cataphoric references, while the D/E boundary tends to have anaphoric references
- c. the I/D boundary procedural sequences contain move(s) announcing the intention

to proceed, while the D/E boundary contains such moves announcing the intention or need to finish

- d. while the I/D boundary tends to produce a breakdown of the agenda, the D/E boundary tends to produce a summary of what was done with the agenda. This was also found in the simulated negotiations

2.3.3 ANALYSIS 2 - MARKED DISAGREEMENT

2.3.3.1 INTRODUCTION

This analysis will look at marked disagreement in simulated negotiations by comparing it to marked disagreement in authentic negotiations. Marked disagreement is disagreement in which the 'no' that indicates the disagreement is accompanied by other linguistic features such as hesitations, reason giving, marker words and the like (see 2.3.3.2 - MARKED DISAGREEMENT AND MITIGATION for a detailed list of these features). The main argument in this section will be that, whereas marked disagreement is an observable feature of discourse, explaining it uncritically as expressions of politeness mechanisms, or 'adjacency pairs' runs the risk of missing an important perspective on what might be happening in the discourse. Apart from the rhetorical function of mitigation achieved through the use of marked disagreement, two other possible explanations may be given for statements identified as 'marked disagreement': these are, equivocation and the use of an L2 rather than an L1. It should be stated at the outset that these will not necessarily be understood as mutually excluding; a well-known aspect of discourse is indeed that just as the same goal may take on different discourse

forms, so too may the same discourse form find expression in a variety of different forms. It is therefore dangerous to equate forms and goals in a way that separates the interpretations from the larger whole in which the discourse is embedded.

In *Expression and Meaning*, Searle (1979)1989:31 investigates the following dilemma: “The problem posed by indirect speech acts is the problem of how it is possible for the speaker to say one thing and mean that but also to mean something else”. A sentence such as, ‘Can you reach the salt?’, is intended and understood as a request for the salt and not as soliciting information about the hearer’s actual ability to reach it. Indeed, the speaker assumes this ability. Why then does he ask something he already knows? And why does the hearer react without any hesitation or perplexity and understand without any difficulty what the ‘illocutionary force’ of the question is? How, in short, is it possible to say one thing, and mean another? More specifically, when expressing disagreement, why is it that, when saying ‘no’, we often start off with ‘yes’, followed at an appropriate distance, with ‘but’? Or, why do we frequently hesitate, introduce a discourse marker, or formulate our disagreement indirectly? Why, in short, do we often find that disagreement is ‘marked’? In what follows I will argue that there are basically two approaches to answering this question: (i) focussing on interaction - linking marked disagreement to politeness and seeing this as the main reason why we often seem to say ‘more’ than we need to, and (ii) focussing on transaction - distinguishing between the discourse purpose of conversation, where interaction *is* the purpose, and negotiations, where the overall purpose is essentially transactional. Here I will approach the phenomenon of marked disagreement from the point of view of equivocation. I will however also, in the conclusion to this chapter, look at the issue of L2 speakers and argue that, apart from mitigation and equivocation, speaking in an L2 may also be

considered a 'cause' of the difference between marked disagreement frequencies in authentic negotiations and simulated negotiations.

2.3.3.2 MARKED DISAGREEMENT AND MITIGATION

Leech (1990:77) speaks of the problematic relation between 'sense' and 'force', where sense refers to the semantic level of communication and force to the pragmatic level.

Grice (1975:45) uses the term 'cooperative principle' to explain the apparent contradiction of saying one thing and meaning another and formulates this principle as follows: "Make your conversational contribution such as is required, at the stage at which it occurs, by the accepted purpose or direction of the talk exchange in which you are engaged". According to Grice, underlying the cooperative principle (CP) are the social conventions (or maxims) which state that, in order to be cooperative, speakers should obey the following four maxims:

- a. the maxim of quantity - speakers should make their contributions as informative as necessary, and not more informative.
- b. the maxim of quality - speakers should not say what they believe to be false or that for which they lack adequate evidence.
- c. the maxim of relation - the contribution made should be relevant to the topics and purposes of the event.
- d. the maxim of manner - the speaker's contributions should be perspicuous, avoid obscurity and ambiguity, and should be brief and orderly.

A listener, assuming that the speaker obeys all four maxims, is thus capable of interpreting the meaning of *Can you reach the salt?* as a request by the hearer to have the salt passed on to him by the speaker.

Leech (1990:80) points out that while the CP is capable of explaining the relation between sense and force quite satisfactorily in many cases, it does have two serious limitations: (i) it cannot explain *why* people are often indirect in conveying what they mean, and (ii) what the relationship between sense and force is when non-declarative types of sentences are being used. In order to overcome these difficulties, Leech (1990:81) proposes a second principle which he calls the 'Politeness Principle' (PP), which he formulates positively as "Maximise (other things being equal) the expression of polite beliefs", and negatively, as "Minimise (other things being equal) the expression of impolite beliefs". The relationship between the CP and the PP is explained as

The CP enables one participant in a conversation to communicate on the assumption that the other party is being cooperative. In this the CP has the function of regulating what we say so that it contributes to some assumed illocutionary or discursal goal(s). It could be argued, however, that the PP has a higher regulative role than this: to maintain the social equilibrium and the friendly relations which enable us to assume that our interlocutors are being cooperative in the first place (Leech 1990:82).

Since this chapter will be dealing with the way disagreement is encoded in simulated negotiations, it is of interest to note that Leech in listing the various maxims which

together make up the PP, mentions what he calls the ‘maxim of agreement’. He argues (Leech 1990:138) that there is a “tendency to exaggerate agreement with other people, and to mitigate disagreement by expressing regret, partial agreement, etc.”. He also argues that partial disagreement is often preferable to complete disagreement. However, in the light of this ‘tendency to agreement’ as part of the PP, and relationship between the PP and the CP, Leech (1990:82) makes the important point that I shall take as starting point for the discussion on disagreement and mitigation. In some situations, Leech argues, politeness can ‘take the back seat’ and he gives as example a situation in which the exchange of information is equally important to both speaker and hearer. In other words, politeness is not always the overriding contextual constrictor in communication, and cannot be taken to necessarily be the principle at work when flouts of the Gricean maxims are detected. Mey (1993:70) goes even further than Leech and argues that the PP may not even be ‘necessary’ to rescue the CP.

Some authors however, basing their perspective on the theory of adjacency pairs, seem to see a necessary connection between politeness, and hence face-work, and the CP. Mulholland (1994:86) for example argues that anything beyond propositional content is interactional,

... by assuming that information is the basis for communication,
anything that does not fit this purpose can be seen as there for some
other, *interactionally centred* (my italics), purpose (Mulholland
1994:86)

Although Mulholland does not say so explicitly, I find it difficult to see how this

argument can avoid equating 'interactionally centred purpose' with PP, or, to put it more explicitly, how, if we consider that according to Brown and Levinson positive and negative politeness strategies are the universal means by which interpersonal distance is regulated, she can avoid equating indirectness with positive and negative politeness. Furthermore, looking at disagreement, this approach would conflate the PP with the theory of adjacency pairs, a danger already present in the maxim of agreement mentioned above which places the preferred agreement part in direct relation to the PP. That is to say, if a second part of an adjacency pair is a disagreement act, and if this disagreement act is marked, then it is automatically assumed that we are in the presence of the PP. Levinson himself (1992:336) for example, lists disagreement as the dispreferred part of the adjacency pair whose first part he calls 'assessment'. This seems reasonable since, though not necessarily part of the same phenomenon, it cannot be doubted that there is a close relationship between adjacency pairs and politeness. Other authors too seem to follow this approach of seeing mitigated disagreement as part of politeness and adjacency pairs.

Before looking at disagreement in the data, a brief look at politeness, mitigation and the idea of adjacency pairs needs to be taken since the data used for this research will be compared with mitigation in authentic negotiations. The notion of 'face', first developed by Goffman (1955), refers to the basic needs members of society to, (i) have freedom from imposition (negative face), and (ii) have a positive self-image and being desirable (positive face). Both positive and negative face may be threatened by so-called 'face threatening acts', generally referred to as 'FTA' (Brown and Levinson 1978:60) and when this occurs speakers need to use politeness strategies to redress possible damage to the interlocutor's face. Politeness strategies aimed at redressing positive face-needs are

referred to as ‘positive politeness’, while strategies aimed at redressing negative face-needs are called ‘negative politeness’. What both these strategies have in common is that they usually mitigate, or hedge the exact illocutionary force of the FTA’s.

Used as politeness acts, there is no significant difference between hedges and mitigation. In this sense, hedges are used to mitigate; i.e. one way in which to achieve mitigation. It must however be remembered that not all hedges can be considered mitigators as hedges are, at least in the sense intended by Lakoff (1972) concerned with ‘fuzziness’ in language as opposed to the neat categories of true and false;

Clearly any attempt to limit truth conditions for natural languages to true, false or ‘nonsense’ will distort the natural language concepts by portraying them as having sharply defined boundaries rather than fuzzily defined boundaries (Lakoff 1972:183).

Thus, while mitigation may be achieved through the use of fuzziness, it does not follow that fuzziness *per se* is mitigation.

A similar problem concerns the relationship between mitigation and politeness. According to Fraser (1980:343) politeness concerns what he calls a ‘conversational contract’ and he defines this as follows: “... we can say that an utterance is polite, to the extent to which the speaker, in the hearer’s opinion, has not violated the rights or obligations which are in effect at the moment”. This contract concerns a set of rights and obligations the interactants have *vis-à-vis* each other. Mitigation on the other hand “involves a reduction in the unwelcome effect of what is done” (Fraser 1980:343). This

distinction Fraser draws is however not clear, especially if one looks at the example he gives (Fraser 1980:344). If the moderator of a small seminar says: "Please sit down", the request is deemed to be polite but not mitigated, whereas, if he says "I'd appreciate it if you would sit down", then the request is not only polite, but also mitigated. What mitigation seems to boil down to is simply being more polite than necessary, or, following the discussion on deference in Grundy (1995:137), politeness as described by Fraser is in effect not politeness at all. Matsumoto (1988:409), looking at the way deference is manifested in Japanese culture, questions whether the Brown and Levinson treatment of deference can indeed be considered a politeness strategy, arguing that "it is far from clear that deference can be equated with the speaker's respecting an individual's right to non-imposition". Grundy concludes as follows:

In fact, we probably need to distinguish two uses of deference:

- a. the situation where it is given expectably and unexceptionally as an automatic acknowledgement of external social status and this reinforces the existing culture (which seem to me not to be a politeness strategy at all);
- b. and deference which is given expectably but exceptionally in a particular situation as a redressive strategy.

(Grundy 1995:137)

In what follows I will argue that, while not all politeness is necessarily mitigation, mitigation is nevertheless a form of politeness as its prime function is that of reducing a FTA. Fraser's argument that "... mitigation entails politeness, while the converse is not true. In short, mitigation occurs only if the speaker is also being polite" (Fraser

1980:344), seems to be a distinction that is difficult to uphold, especially as he himself argues that: “A ... feature of mitigation is that it is a modification of ... those effects which are unwelcome to the hearer” (Fraser 1980:342), and, mitigation is an “attempt at reducing the harshness or hostility of the force of one’s actions”. This sounds very much like a description of politeness strategies.

Another characteristic of mitigation is that mitigation is not a speech act.

To mitigate is not to perform some particular speech act such as requesting, promising, or apologizing. Nor is it to perform a so-called perlocutionary act (having an associated perlocutionary effect) such as annoying, surprising, or persuading (Fraser 1980:341)

This point is also made by Lampi (1986:160) who found that in her data mitigation was manifested in several layers of discourse and was “the result of the combined effect of several factors”. At the microlevel mitigation is performed through the help of mitigating prefacing, while: “On the macro level of discourse, chat phases offer relief from (i.e. mitigate) extensive topic-oriented discussion and bargaining. The presence and distribution of chat phases within a topic-oriented speech event is thus a measure of macro level mitigation” (Lampi 1986:107) - this understanding of mitigation at the macro level throws further light on the discussion in the previous chapter on the lack of chat phases. I will, however, only be looking at what Lampi calls ‘micro level mitigation’ in this chapter. That there were *no* chat phases in any of the simulations is thus significant not only for the reasons already discussed, but also as indicative of the lack of mitigation in the event as a whole.

In the local management of conversation adjacency pairs are a fundamental unit (some have even argued, *the* fundamental unit; e.g. Goffman (1976); Coulthard (1977:70)) of organisation and as such closely linked to the turn-taking system. Following Levinson (1992:303) adjacency pairs are produced by different speakers and organised in such a way that a particular first part expects a particular second part. The prototypical examples are question - answer, greeting - greeting, offer - acceptance etc. Such second parts are called preferred responses, but, alongside these preferred second parts, there are also dispreferred second parts which are usually linguistically marked by, (i) some significant delay, (ii) a preface marking (e.g. 'well'), and (iii) with some account of why the preferred second part cannot be performed. In other words, the non-occurrence of the preferred second part "is heard as officially absent" (Schiffrin 1994b:236) and hence they are socially dispreferred and ask for extra interactional work in order to prevent negative consequences in partner's relationship. Though there does not seem to be a necessary relationship between adjacency pairs and politeness, it seems fairly predictable that the two are often brought together. Concepts like 'socially dispreferred', and 'negative consequences' in the relationship seem very close to issues dealing with politeness. One approach of equating the adjacency pair of assessment → agreement / disagreement with politeness is taken by Stalpers (1995), who bases her research into the expression of disagreement in business negotiations on Fraser (1980) and Levinson (1992). In order to investigate the use of mitigation in business negotiations, Stalpers connects marked dispreferred pairs of assessment (i.e. marked disagreement) with politeness. Stalpers defines mitigation as, 'the result of one or more strategies used to soften the unwelcome effect of a dispreferred second part of an agreement adjacency pair'. Following Stalpers (1995:278) mitigation strategies may be classified into three

main groups: (i) those that delay the disagreement act (group A below), (ii) those that accompany the disagreement act (group B below), and (iii) those that concern the disagreement act proper (group C below):

Group A - delaying strategies

- A1 a pause before the disagreement act
- A2 the disagreement act is prefaced by one or more DISCOURSE MARKERS announcing that a disagreement act is about to be delivered (e.g. 'well', 'now', 'but')
- A3 the disagreement act is prefaced by a TOKEN AGREEMENT - typically the unstressed 'yes'
- A4 an utterance of APPRECIATION or APOLOGY comes before the disagreement act
- A5 the act is MODIFIED BY A QUALIFIER such as 'I believe', 'I'm not sure, but ...', 'I suppose' etc. where the speaker prefaces his disagreement with the possibility that he may be incorrect in what follows. Also included in this group are adverbs such as 'presumably', 'admittedly', 'certainly', 'probably', 'unfortunately', 'possibly' etc.
- A6 the act is performed with HESITATION FEATURES such as internal pauses and forms of self-editing
- A7 the disagreement act is DISPLACED over a number of acts by acts other than those mentioned in A4 and B below

Group B - strategies accompanying the disagreement act

- B the disagreement act is accompanied in the same turn with a BACKING (also known as support). By means of a backing a speaker provides information that underscores the credibility of another statement. As such: "A backing move does two things - it marks the move as disputable in a particular way and at the same time presents grounds to deal with the disputability" (Anataki and Leudar 1980: 284). Backing can be explanatory, justificatory, causal or reason giving, depending on the context

Group C - strategies concerning the act proper

- C1 the disagreement act is MODULATED by means of clause internal expressions such as 'maybe' and the use of the inclusive 'we'
- C2 the act is INDIRECT. That is to say, there is no explicit rejection which negates unequivocally the previous speaker's statement

An example of mitigated disagreement from simulation 3A would be

- 218 S: uhuh, I see ... how about, how about this? We'll ... uhm .. have a
- 219 look at the la, the item labour, and we'll reduce that by 50%
- 220 B: I would like to say that I was ... uh ... uh ... uh ... thinking to
- 221 reducing by 50% the total amount, so to drop out
- 222 S: /The total of 10?
- 223 B: /to drop out the labour
- 224 S: (*very softly*) I don't think, I don't think we can do that, not quite
- 225 so much ... uhm ..

in line 210, S suggests a reduction of 50% on the labour costs. B disagrees with this and mitigates his disagreement using two mitigation strategies, A5 (the act is modified by a qualifier) and A1 (a pause before the disagreement act). S in turn, disagrees with that and in lines 224-225 mitigates his disagreement with A5 (the act is modified by a qualifier) and C1 (the disagreement act is modulated by means of a clause internal expression such as 'maybe', or the inclusive 'we')

In commenting on her findings, Stalpers (1995:281) concludes that disagreement acts in business negotiations are usually mitigated, even though the number of mitigation strategies used per disagreement act is significantly lower than that found in casual conversation. She explains this as resulting from the fact that business talk might be "less personal than casual conversation and that, therefore, chances to hurt or offend the

partner are small” (Stalpers 1995:281). If this reasoning is correct, i.e. that the amount of mitigation used in interaction is determined by the degree of personal involvement, then it follows that the simulated negotiations, which reveal a much lower amount of mitigation strategies accompanying disagreements, display even less personal involvement than authentic negotiations. This would accordingly give further support to the general thesis argued for in this research that simulated negotiations do indeed significantly reduce the interactional aspect of negotiations. However, the analysis of Stalpers’ results may have other equally feasible interpretations as well.

The first point of criticism concerns the list of mitigation strategies Stalpers uses. While not arguing that these may well be used for the purpose of mitigation, I do feel that a mechanical ‘ticking off’ against such a check list could well lead to rather doubtful cases in which the following interaction has to be understood as mitigated disagreement simply because there is an added backing.

Child: I won’t eat my vegetables.

Parent: yes, you will. If you don’t you won’t get any pudding.

This is however not to argue that the cases of marked disagreement Stalpers found in her data are not cases of mitigation (her tapescripts are not included), but rather against an uncritical ‘if it is marked it is mitigated’ approach. One also cannot help thinking that there is something arbitrary about these lists. Scardella and Brunak (1981:61) for example offer a different list and use the following twelve categories for measuring politeness: *(i)* ellipsis, *(ii)* exclusive ‘we’, *(iii)* expressions that make the addressee a more active participant, *(iv)* hedge, *(v)* inclusive ‘we’, *(vi)* indirectness, *(vii)* positive back channel cue, *(viii)* pre-sequence, *(ix)* rate, *(x)* slang, *(xi)* question tags, *(xii)* word.

The following example of marked disagreement, taken from Simulation 2A, cannot possibly be considered mitigation:

- 111 B: but this is, for us is not so normal that after one
112 year we have to pay for example 10,000 of pounds,
113 when the machine costs 60,000 pounds, so i, i, is very strange
114 that after one year you have to pay, around 15
115 percent of the cost of the machine just for, for one repair ..
116 S: yea ... uhm ... (*clears throat*) ... I ... I think ... uh ... uh ... if
117 we, if we can limit the discussion to, to,
118 to, this ... uh the pro, the problem
119 of this invoice, because I'm afraid I'm not
120 empowered to, to consider future sales, or, you know ...
121 questions of the future ...

The Seller here disagrees on the level of topic which had been initiated by the Buyer and which is a Buyer preferred topic in that it forms part of the platform he wishes to develop his case on. He does not discuss the validity of the Seller's right to payment (a Seller preferred topic), but guides the negotiations in the direction of the amount, which by all standards, is extremely high. In order to get on preferred terrain, the Seller does not answer the Buyer's implicit question, but reformulates the parameters of the discussion. The mere fact that the Seller adds a reason (Group B - *Strategies accompanying the disagreement act*) cannot easily read as mitigation. His main problem is to get off the dispreferred topic onto more advantageous terrain and he gives a reason in order to achieve this.

The second point of criticism of Stalpers that might be raised is that of taking conversation as somehow more 'prototypical' than other forms of verbal interaction. This view sees conversation as acting as a sort of regulative principle against which

everything else is measured. This is nicely summed up by Craig et al. (1986:447) who, in comparing politeness theory to Grice's conversational maxims, write: "Like Grice's conversational maxims, the politeness theory sets forth a model, much of the value of which resides in the various ways speakers deviate from it for strategic purposes". What underlies this notion of the centrality of conversation is the assumption Levinson (1992:284) makes when he argues that

... conversation may be taken to be that predominant kind of talk in which two or more participants freely alternate in speaking, which generally occurs outside specific institutional settings like religious services, law courses, classroom and the like ... conversation is clearly the prototypical kind of language usage ... the matrix for language acquisition

Yet, apart from an intuitive feeling that somehow conversation is more 'prototypical' than other forms of interaction, little backing is offered to sustain this view. Swales (1990:59), while recognising the "enveloping nature of conversation" makes a clear distinction between what he calls 'pre-genres', and 'genres' and argues against 'measuring' genres (see discussion of discourse communities above - 2.2.3.1. GENRE ANALYSIS AND NEGOTIATION STRUCTURE) against some background form such as conversation.

The interesting question for the genre analyst is not so much whether conversation is a genre; instead, the interest lies in exploring the kind of relationship that might exist between general conversational

patterns, procedures and 'rules' and those that can be discovered in (to give three examples) legal cross-examinations, medical consultations and classroom discourse. In those three cases, are the unfolding interactions best seen as mere extensions and modifications of common conversational practice and thus ultimately parasitic on such practice? Or, alternatively, would we gain a greater understanding of what is happening by considering them as existing independently in separate universes of discourse? (Swales 1990:59)

What Swales is suggesting is that looking at a genre on its own terms might lead to greater insights into the communicative purpose / structure of the specific genre. Indeed, when Stalpers argues, on the basis of her data that negotiations display less need for politeness than conversation, one is left with the 'so-what' question Charles (1994) speaks about. This comparison reveals nothing about the function of politeness in negotiations, nor about how it may be defined and understood. Furthermore, Kotthoff (1993:203), arguing against the centrality of cooperation in face-to-face interaction, makes the point that: "When the context of argument is established, it is no longer preferred to agree". In other words, agreement and cooperation cannot be taken, *a priori*, as regulating principles for face-to-face interaction. These considerations accordingly allow us to investigate other equally sustainable interpretations of the phenomenon of markedness in disagreements. Thus, simply taking marked disagreement as mitigated disagreement, and then comparing frequencies is not particularly illuminating for understanding negotiation interaction. In the first place, Stalpers does not make any distinction between buyer and seller talk. Charles (1994) however, found significant differences between these institutionalised status bound roles. Moreover,

depending on whether the relationship could be considered new or old, politeness forms differed significantly. In short, buyers tended to display far fewer politeness forms than sellers in new negotiation relationships (NNR). Interestingly, when limited to 'politeness' in the form of mitigation strategies used to attenuate disagreement, the results of the data are far from clear and do not confirm Charles' findings. In other words, no clear distinction between buyer and seller talk emerges from the data. This may be ascribed to one of two reasons.

1. In the first place, the nature of simulated negotiations may be such that it influences the interactional language used in ways untypical of authentic negotiations. Politeness, in short, is expressed neither with the same frequency, nor in the same way as in authentic negotiations.
2. Alternatively, one may argue that the marked disagreement forms found in the data do not necessarily indicate mitigation, but rather fulfill some other rhetorical purpose. It is thus to this second possible interpretation that I would now like to turn.

2.3.3.3. MARKED DISAGREEMENT AND EQUIVOCATION

The fact that, in terms of frequency, the simulated negotiations revealed a significantly lower rate of marked disagreement than authentic ones is already, in itself, an interesting finding. However, as already argued above, simply ascribing this to a reduced need for politeness strategies is both uninformative and dangerous. Rather than see politeness as an overriding *a priori* constraint of communication, it has been argued so far that one

might achieve more illuminating insights if the rhetorical function of marked disagreement were assessed within the negotiation speech event. This is not to argue that politeness strategies do not have a place in negotiations, but simply that marked disagreement may have other, equally plausible functions, given the overall transactional purpose of the event. In short, if we do not take conversation as our point of reference it soon becomes apparent that more than one interpretation of marked disagreement is possible. This section will thus elaborate on the previous one and argue that whereas the rhetorical purpose of marked disagreement may also be assessed from the perspective of mitigation, a case may be made to interpret it as expression of equivocation as well.

2.3.3.4. EQUIVOCATION THEORY

Basing themselves on J. Haley's pioneer work, *An interactional description of schizophrenia* (1959), Bavelas et al. (1990) analyse equivocation as a response to what they term 'avoidance/avoidance' situations. This approach is particularly interesting since, by focussing exclusively on context, they further refine the work of Grice and Brown and Levinson who identify the most general *a priori* principles (see section on marked disagreement and mitigation above) of verbal communication. Messages which, when assessed according to the CP and PP still fail to 'make sense' very often do make sense when the nature of the context is considered. Furthermore, unlike the approach of Brown and Levinson "who explain direct and indirect communication by cognitive processes 'inside the communicator'" (Bavelas et al. 1990:62) and who focus on *how* impoliteness (or equivocation) may be generated when it occurs and which is hence

unable to predict *when* it will occur, the approach of Bavelas et al., by assessing the situations that evoke equivocation are able to predict when it will and will not occur.

According to Haley any message from one person to another follows the *I am saying something to you in this situation* format, and may thus be analysed in terms of four formal characteristics: (i) the sender, (ii) the content, (iii) the receiver, and (iv) the context. As Bavelas et al. (1990:33) put it: “There can be no communication without *my saying something to you in a given situation*” (my italics). While this may seem rather obvious and perhaps not particularly enlightening, applying these four variables to problematic communication such as the apparently bizarre communication of schizophrenics reveals an unexpected insight. Haley proposed that schizophrenic communication be understood as an attempt to deny any one of these four elements. Accordingly, the schizophrenic may:

- a. deny that *he* is sending the message and claim to be God or Napoleon speaking through him.
- b. deny that he is actually saying *something* and speak nonsense or use made-up language.
- c. deny that he is talking to the *person in front of him* by talking to himself or claiming that the person spoken to is in fact someone else.
- d. deny the *situation* the communication occurs in by claiming to be in another place or time.

Bavelas et al. (1990:33) apply this framework to everyday communication and give examples of equivocal messages in each of the four categories above. Thus: “The

management requires me to inform you”, or “They say” may imply that the sender is not the ‘real’ sender of the message “Well, yes and no” may be taken as saying something without saying anything “People like you make me nervous” seems to imply that the receiver is being avoided and finally, one speaker asks another “Do you like my new hairdo?”, and the other answers “Hey, that’s a real change!” seems to avoid the real context. Similarly, going back to the discussion on Grice above, when “Is that the salt?” gets the reply “Yes”, equivocation theory would explain that as a denial of the context of the message.

Bavelas *et al.* (1990) developed a sophisticated measurement procedure based on training lay persons to identify and measure the degree of equivocation present. This approach has the advantage of seeing how ordinary people, i.e. the ones who do in fact receive the communication, deal with and perceive equivocation. For the purposes of this research however, it was considered sufficient to only identify equivocation, rather than establishing the degree as well. This ultimately boils down to asking the following four questions (Bavelas *et al.* 1990:35):

1. To what extent is the message the sender’s own opinion?
2. How clear is the message in terms of what is being said?
3. To what extent is the message addressed to the receiver?
4. To what extent is it a direct answer to the (implicit or explicit) question?

In the above, context is very closely defined as “the immediately preceding message”, and Bavelas *et al.* (1990:35) “have made this message a question, actual or implied”. Equivocation may thus be defined as an answer to a question which, to a greater or

lesser degree, denies one of the four characteristics of a message: sender, content, receiver and context. Furthermore, Bavelas *et al* (1990) suggest that the individual communicator not be considered the cause of equivocation, but rather that “equivocation is the result of the individuals’s communicative situation. Equivocation is avoidance; it is the response chosen when all other communicative choices in the situation would lead to negative consequences” (Bavelas *et al.* 1990:54).

As far as negotiations are concerned, one may thus make out a case that a significant number of marked disagreements act, not so much as politeness strategies as forms of equivocation. A *bona fide* negotiator comes to the table with the knowledge that, in order to get a deal, something will have to be given up. It follows that a dilemma he finds himself in is that of, on the one hand not being totally intransigent while, on the other, not wanting to indicate any willingness to move. This is clearly an avoidance-avoidance situation. An example of marked disagreement from the data (Simulation 8) is:

- 173 B: yes, is normal, if it’s normal in the warranty period then
174 have, have to, to try to find a solution, either you charge me
175 only for parts, but I’m not willing to pay the
176 carriage for parts ... or you charge travel
177 and accommodation expenses without parts and carriage
178 because I’m not willing to pay for the two things ...
179 one has got to be included in parts, or, either you exclude
180 parts
181 S: ok ... uh ... I, I can understand but I don’t think now we can solve
182 the problem in this way ... uh uh ... I think we have two
183 ways, now basically to to, to get agreement

The Seller here has to face the problem of the Buyer’s categorical refusal to pay. By

insisting on payment he risks losing the customer, and by giving in, he risks losing money. His immediate strategy is to *avoid the request* for non payment altogether while, using at the same time an inclusive *we* in order to ward off the threat of a breakdown in the negotiation. In other words, to refer back to Bavelas et al., this is more easily interpreted as a case of equivocation. Accordingly it is difficult to see this as face work, rather than an attempt to protect his own interests. By neither accepting nor refusing the Buyer's request he manages to get out of the dilemma - at least for now.

When marked disagreement is seen as equivocation then one of the reasons that might be suggested for the reduced instances of equivocation in simulations may be that since the participants do not actually represent their companies, they do not have the pressure of accountability to anyone except themselves. In other words, they can change their own 'goalposts' as they go along and do not find themselves in an avoidance / avoidance situation *vis-à-vis* the limitations set by their own company on the one hand and the opposition to movement by the other negotiator on the other. Furthermore, being part of an L2 language training program, it may also be hypothesized that participants feel they are judged on the 'linguistic quality' of their contributions rather than their ability to achieve certain negotiation aims through the use of language. I shall return to this last point in more detail in the discussion at the end of this study.

2.3.4 ANALYSIS 3 - CLAIMS AND CLAIM-BACKING

2.3.4.1 INTRODUCTION

It has been argued so far that due to the overriding priority of first establishing, and then maintaining the simulated reality, participants in simulations tend to veer away from language which focuses on the relationship itself as this introduces an element of ambiguity that threatens the simulated space itself. It has also been argued that, unlike real-life negotiations, where the participants simply 'get on with the job' and negotiate, in simulations the participants do not negotiate, but get on with the job of *simulating* a negotiation. This may seem obvious and hence hardly worth mentioning, but consider the following comparison. Two people are given a tennis court, tennis rackets and tennis balls and told to simulate a tennis game. There is no possible way one could distinguish what they are doing from a real tennis game for the simple reason that there *is* no distinction - one cannot act at playing tennis when one is on a real court, with a real ball and real rackets and, unless one or more of these elements is missing, no simulation is possible. With simulations however, the situation is significantly different. The participants are given their briefs and on the basis of that, told to negotiate a solution, detached from any real business reality (the 'tennis court, the ball and the rackets') that would have generated the negotiation in the first place and without any real business implications conditioning and resulting from any deal that may be struck. In this latter case there can be no doubt that what the participants do is to enact, or simulate, a negotiation rather than, as in the case of a tennis game, actually engage in one. It follows that the participants do what they *think* is expected of them and what they think would pass as a negotiation; very much what players would be expected to do if asked to play a

tennis match without the ball and rackets. It will be recalled that in the Introduction it was argued that a comparison between what people actually do, and what they think they do in negotiations shows considerable variation. It therefore came as no surprise that interesting linguistic differences were picked up when real life negotiations and simulated negotiations were compared. It has also been argued that two factors, the need to protect the simulated reality from the threat of dissolution and the act of imitating reality according to one's stereotypical notion of it, led to what has been described as a certain 'flatness' in the language used in simulations. Unlike the preceding chapters which looked at 'what was not there', in this chapter I will attempt to identify just what makes up a major part of language used in simulated negotiations. That is to say, if the participants do not make use of interactional language (or at least reduce it to the minimum), what takes its place? Or, put differently, on what linguistic terrain do participants tend to operate in order to arrive at an agreement in simulated negotiations? In attempting to answer this question I will be looking at the use and function of explicit argumentation.

2.3.4.2 ARGUMENTATION

A random sample of definitions and descriptions of argumentation reveals remarkable similarity.

- "...an argument is a conclusion someone has about a particular issue. This conclusion is supported with reasons (often called premises). If an individual has a conclusion but offers no reasons ..., then he has made a statement, not an

argument” (Diester 1994:5).

- “... any discourse in which someone attempts to support a claim by giving reasons” (Schwartz 1994:1).
- “An argument is a combination of two forms of statements, a conclusion and the reasons allegedly supporting it” (Browne and Keeley 1994:28).
- “Argumentation is reason giving in communicative situations by people whose purpose is the justification of acts, beliefs, attitudes, and values” (Freeley 1993:2).
- “An argument is a set of at least two claims which are connected in a precise way ... The connection, ..., involves a movement from one or more claims presented as reasons, ..., to the claim argued for and designated the conclusion” Phelan and (Reynolds 1996:12).
- Schiffrin (1985:37) offers a somewhat more refined definition distinguishing between ‘rhetorical’ and ‘oppositional’ argument. Nevertheless, whether speaking of rhetorical or oppositional argument, she still identifies the same two essential elements as do the other definitions in this short list. “We define rhetorical argument as discourse through which a speaker presents an intact monologue supporting a disputable position; we define oppositional arguments as discourse through which one or more speakers support openly disputed positions”.

What transpires in all of these definitions is that arguments typically contain at least two elements: a claim and a support for that claim. As we have seen, various terms are used for claims and support (claims are also called conclusions, positions and support is also referred to as premise, backing, reason, justification and evidence). In this dissertation I will use the terms claim and support. It is also generally agreed that both claim and support have to be explicitly stated for an argument to be considered as such. Anataki

and Leudar (1990:280), whose research is particularly important for this study, define a claim as “a move the validity of which, in discourse, is somehow open to dispute”, and claim-backing as “a move made by a participant in order to deal with that dispute”. According to Anataki and Leudar, it would thus seem that claims are to be distinguished from other statements in that the latter somehow ‘stand alone’ while claims do not. While Anataki and Leudar do not see claims as one extreme of a range, statements may nevertheless be classified on a scale ranging from self-evident and self-defining statements on the one hand to those on the other that need to be backed by an extra bit of mutual knowledge which acts as evidence or warrant of the legitimacy of the statement itself; that is to say, statements that are true in-themselves, and claims in the sense Anataki and Leudar use the term. Thus, for example, a researcher is free to define his terms as he pleases and as such, definitions may be considered statements which are self-supporting. Self-evident statements too necessarily stand without any backing and any backing that may be offered could be interpreted as flouting one of the Gricean maxims. So for example, stating “It sure is cold today,” on a truly cold winter’s day and adding a backing “because it’s mid-winter”, can only be considered as a flout since the self-evident truth of the claim does not require ‘the extra bit of mutual knowledge’ which would be supplied by a backing. In cases where the rhetorical purpose of the utterance is that of persuasion, the persuasive value of claims that do not require explicit backing may be considered higher than those that do require (or are felt to require) such explicit backing. As Anataki and Leudar (1990:280) write “... one justifies what is in doubt” and this means that spontaneous justification (or claim-backing) necessarily announces the doubtful nature of the claim itself. A request for backing on the part of the listener would also shift the statement from being self-evident, or the hope of the speaker that it be taken as self-evident, to being a claim. Whether an utterance is a

statement or a claim thus depends to a large extent on the mutually negotiated status the conversational participants give to that utterance. Buying a piece of furniture one might thus hear the seller stating that “It is a particularly beautiful piece”, an utterance that imposes its statement status as it is hard to imagine the buyer asking “Why?”. By ‘imposing’ a statement as opposed to a claim requiring backing on the interaction the seller manages to gain an advantage in that the truth value of what he has to say is accepted as self-evident, thereby enhancing the seller’s personal credibility.

However, adding a backing to a claim may also be used by a speaker to add to its persuasive impact. In the following example, taken from Charles (1994:1B), the buyer (B) adds a backing (marked in small caps) to the claim (marked in courier) even though the seller (S) explicitly states his acceptance of the claim

- B: I don't know about that I don't know, I
MEAN I CAN'T SAY
- S: yes ok...
- B: IT IT'S A SITUATION RON WHERE THAT IS WE USE THAT ON
QUITE A FEW OF THE.. ... THE BIG RUNS THAT WE HAVE ON
EACH MONTH ... AND WE'VE GOT TO HAVE IT NOW IF WE
CAN'T HAVE IT ... MAKES US... STOPS US ON OUR SCHEDULE
... EVEN BAINBRIDGE HAVE TO ACCEPT THAT

To sum up, there is a continuum of statements ranging on the one extreme from those requiring backing (what Anataki and Leudar call ‘claims’) to statements at the other end that are self-evident or true-in-themselves. Such statements may be operational definitions or contain all the mutual knowledge necessary for their validity. Expressing beliefs too would fall on this side of the continuum even though beliefs present a problem in that, being beliefs, they express what is true ‘for me’ and not necessarily ‘for

you'. One is thus free to express beliefs to one's heart's content, but they can never have the status of statements whose truth value applies equally to both interlocutors.

It is important to keep the idea of a continuum in mind as statements which remain unchanged at the purely propositional level may, due to various contextual factors, 'slide' in either of the two directions. Statements are not simply self-evident, or claims - they often become (or are allowed to remain) self-evident by the discourse that follows just as they often become claims by explicit support that backs them. In other words, the truth status of statements is, to a large extent, derived from the surrounding discourse and is indeed a function of the surrounding discourse itself.

In negotiations not all statements which one would expect backing for are explicitly backed and the circumstances in which such backing is spontaneously offered or requested vary enormously and according to strategic purpose. In negotiation, the presence or absence of claim-backing may be viewed either from the point of view of the speaker, or the listener.

1. The speaker may for example choose to back a claim in order to enhance the persuasive force of the statement and thereby further develop cognitive dissonance in the listener (indeed, in my data, two cases were found where a participant actually asked 'why' with reference to his own claims, and then immediately went on to answering the question), or he may leave a claim unbacked, thereby implying that it has the value of a self-evident truth (e.g. an issue which he considers non-negotiable or so obvious that it would be redundant to fill it in with a backing)

2. A listener may request backing in cases in which the speaker has failed to offer any, thereby reducing the persuasive impact of the utterance by questioning its validity. Surprisingly, not one such a case was found in the data examined. Similarly, a listener may not request backing, even though the speaker might be eliciting such a request, in order to achieve the same purpose

Mention has already been made of Anataki and Leudar's analysis of claim-backing. Claims are in essence statements the truth value of which is open to dispute. It is this disputability that distinguishes claims from other utterances such as causes, reasons, justifications and excuses. Claims must, according to Anataki and Leudar be accompanied by a backing move if they are to be considered claims in the first place.

Of course, ..., *any* move in conversation is potentially disputable. But how can we, as observers, know what is a disputable position unless someone disputes it? ... In other words, there has to be a sign that a speaker presents an assertion as a disputable position. So, dialogically, the act of backing directs the participants to a relatively specific way of dealing with perceived lack of validity. (Anataki and Leudar 1990:284)

Thus, going back to the definition of Anataki and Leudar above of a claim and claim-backing, the 'openness to dispute' of a move in negotiations must be seen to lie within the strategic decisions of the interlocutors themselves. In short, in negotiations, the validity of statements is, to a large extent, a function of overall negotiation strategy and as a result (and in spite of appearances), we cannot simply equate negotiation with

argumentation and conclude that negotiations are, in essence, a blow by blow argument - counter argument event. Not all authors however make the distinction between negotiation and argumentation. Axelrod (1977:177), for example is quite categorical: "After all, most of what happens in negotiation is the assertion of arguments by one side, and the response with other arguments by the other side". Van der Wijst and Ulijn (1995:334) even go so far as to speak of an 'argumentation phase' in negotiations, which they break down into four phases: (i) preparation, (ii) taking a stand, (iii) argumentation and (iv) conclusion. The third phase is defined as the phase which "generally starts with one party reacting to a concrete proposition made by the other party," (Van der Wijst and Ulijn (1995:320)). They also consider this third phase the 'weightiest' part of negotiations though do not, unfortunately, explain what they mean by this. Given that their research is into the use of politeness in negotiations, the relationship between argumentation and negotiations is not given. This chapter will however take the position, as indeed the study as a whole has so far tried to do, that simulated and authentic negotiations cannot be treated as the expressions of the same discourse type. The fact that Van der Wijst and Ulijn's conclusions are based on an analysis of simulated negotiations, must necessarily question the relevance of their research to real-life negotiations. In short, the (implied) frequency of argumentation found by Van der Wijst and Ulijn can be explained by the fact that they analysed simulated negotiations and not as a general characteristic of authentic negotiations.

In this research I will take the approach of Atkinson (1990:33) who develops a short discussion on the difference between negotiation and argumentation. Atkinson, a non-linguist business consultant, like so many other business consultants (e.g. Morrison 1992, Nierenberg 1991, Lewicki et al. 1993 and Lewicki *et al.* 1996) interestingly

enough approaches the description of negotiations from the point of view of *topic* and not, as has already been discussed, from that of *interaction*, as do the linguists referred to earlier. Atkinson identifies three reasons why it is misleading to equate negotiation and argumentation:

1. Whereas in argumentation the purpose is to win arguments, in negotiation the purpose is to get the best deal;
2. Argumentation does not usually consider crucial background information such as pressures that were present on the parties and the context of the negotiation;
3. Finally, arguments have a short life and are easily spent. In order to persuade someone and develop cognitive dissonance a considerable amount of time is often required (Atkinson 1990:33).

Rather than analyse negotiation in terms of argumentation, Atkinson prefers the term 'themes' for which he takes a dictionary (not specified) definition: "An idea or topic expanded in discussion; a unifying idea repeated throughout a work" (Atkinson 1993:34). A theme (or group of themes) is developed in order to progressively build the platform in which proposals can be made and as such may be considered the forerunners of proposals. While Atkinson does not give a definition or description of arguments it seems, by contrasting argumentation with theme development, that he identifies the crucial difference between the two as lying in the non-continuous nature of argument; that is to say, each argument is considered as a self-contained entity and its relationship with the rest of the platform is at best loose. This would be confirmed by his discussion on cognitive dissonance which he sees as lying at the heart of the negotiation process.

For Atkinson the development of themes revolves around creating what he calls personal and positional credibility. By the time the first proposal is made, the other party should be ready for it: "At best their (i.e. themes) purpose is to move the other party from his position of indifference, scepticism and hostility to an eager anticipation of your proposal" (Atkinson 1990:34). Through the development of cognitive dissonance there is a progressive breakdown of the expectation levels of the other party so that the proposal, if not accepted outright, is at least not flatly rejected either.

Given this distinction between negotiation and argumentation, it was thought interesting to assess simulated negotiations from the point of view of argumentation / theme development and establish whether, compared to authentic negotiations, more instances of argumentation would be identified. This interest was also bought about by the general conclusion of the preceding two analyses, i.e. opening and chat phases, and marked disagreement, that, if the participants in simulated negotiations avoid the interpersonal terrain in dealing with the negotiation, just 'where' does the action (or most of it) take place? An obvious candidate was that of argumentation, as the suspicion was that the everyday stereotype does indeed equate negotiation with argumentation and, as has already been argued, what participants do in the simulations is what they *think* one does in authentic negotiations. In order to test this hypothesis, i.e. that more claims are to be expected in simulated negotiations than in authentic negotiations, the data collected for this study (see Appendix D) and two authentic negotiations (Lampi 1986 and Charles 1994) were compared. An interesting, though by no means conclusive, indication came from comparing counts of the connector *because*. The results, slightly more than three times as many in the simulated negotiations, indicated that further, more thorough investigation may well turn out to be revealing. It was therefore decided to go through

the tapescripts and mark all cases of claims and claim-backings and compare the results. In the tapescripts in Appendix D, claims are marked in `courier font`, while backing are in `TIMES ROMAN SMALL CAPS`. Cases in which a backing becomes a new claim are marked in `COURIER SMALL CAPS`. An example is the following (from simulation 7)

131 B: ... know technicians didn't say anything BECAUSE
132 IT'S NOT THEIR JOB, THEY, THEY JUST CAME TO REPAIR THE
133 MACHINE AND THEY DON'T CARE, ACTUALLY IF, IF THEY ...
134 BECAUSE IT'S OUR COMPANY WHICH PAYS THEM, SO, THEY,
135 THEY DON'T CARE IF YOU HAVE TO PAY THEM OR OUR COMPANY,
136 so, they just come and do their job so
137 that's why

Finally, conditionals are also marked in shaded print as follows (Simulation 3B):

158 S: uh ... I shall say that ... uh ... uh ... if we can make ... uh ... better
159 estimation for the future ... uh ... this could be something that ...
160 uh ... uh ... could put us in a position to anticipate the cost

In order to eliminate 'noise' from the results, hesitations and back-channelling were ignored.

2.3.4.3. IDENTIFYING CLAIMS AND CLAIM-BACKINGS

Numerous kinds of approaches to the classification of argumentation exist. Of these, one frequent approach is to classify claims according to the logical form that they take and it is usual in these cases to make a distinction between deductive and inductive

argumentation, including in the former the various syllogisms and in the latter proofs depending on plausibility, statistical inference, inductive generalisations, causal and analogical reasoning and the like. What such approaches usually have in common is the analysis of validity and the criteria that may be applied in each of these cases. Another approach is to classify arguments into types of proof. A fairly complete list of these is offered by Wood in her excellent book *Perspectives on Argument* (1995). She classifies proofs according to the original Aristotelian breakdown of (i) logical proof, including arguments from deduction, definition, cause, sign, induction, statistics, analogy, (ii) ethical proofs and (iii) emotional proofs based on motivation and value judgments. Wood goes on to assess these argumentation strategies for their persuasive value and application. Another approach is that which derives from the work of Toulmin (1958) who breaks everyday arguments down into six parts: claims, evidence, warrant, qualifier, support and backing. In dealing with the data in this research I have however followed Anataki and Leudar (1990:285) by compounding all of these “into a general sense of ‘backing’ which authorises the claim”. In other words, though some attention was given to the *kinds* of claims used by the negotiators in the data (see below) the main focus is on *how often* argumentation was employed as the aim was to get an idea of the amount of time dedicated to argumentation in simulated negotiations and compare this to argumentation in authentic negotiations. Kinds of argumentation were considered only in order to refine the identification of arguments in general.

Identifying argumentation is not simply a matter of finding premise and conclusion indicators (the terms ‘premise’ and ‘conclusion indicators’, referred to together as ‘argument indicators, are taken from Schwartz (1994)) such as ‘since’, ‘as’, ‘because’ and ‘therefore’, ‘consequently’, ‘then’ and the like. Numerous claim / claim-backing

pairs do not connect through any indicator at all. This is hardly surprising as numerous connections are of a continuative nature (Crombie 1985) proceeding as they do according to discourse expectation. On the other hand, not all instances of argument indicators necessarily indicate an argument. In the following example (Charles 1994) it is difficult to see how 'because' can be taken as a premise indicator - it clearly functions as a reason indicator.

B: our schedule has been getting down ... everybody's having
a good crib about it

S: is it ... presumably that's because the stock level's been
building up don't know where to put it

The criterion that, somehow the validity of the claim (in this case "our schedule has been getting down") needs to be questioned is wholly absent. Another example of the use of an 'apparent' argument indicator, 'so' in this case, is,

B: and and ... he's he's not so ... but his leg's in plaster so ...
you know ... that ... that's why he's not with us ...

It is extremely difficult to see how "That's why he's not with us" can be seen as a claim, the validity of which somehow needs backing ("his leg's in plaster") to make it credible. That 'he is not with us' is evident to all the participants there. What is not evident is why 'he' is not there, but to 'his leg's in plaster', no backing is offered and thus it cannot be considered a claim. This specific example will be looked at again below when the *principle of charity*, the first of the two main approaches used to select instances of argumentation in the data is discussed.

Another problem with argument connectors is that examples of connectors typically used in other semantic relations (Crombie 1985) may well function as premise or conclusion indicators. In the following example (Simulation 8), 'but', which is generally used to indicate contrast, functions as a conclusion indicator

241 S: I, I know they cost too much, BUT... UH... A NORMAL
242 WORKER CAN'T REPAIR ANYTHING

Anataki and Leudar (1990:285) note that in their corpus, based on everyday conversations, it was rare to find explicit signalling indicated by a dispute on the part of the interlocutor. This finding is confirmed in the data here examined. The most obvious indicator of such disputability, 'why', was in fact not encountered once. There were two cases of a speaker asking 'why', but then with reference to his own claim, and then immediately offering the (self)-requested backing. (Simulation 2A).

79 B: yes, yes, but normally we, we used to have a
80 warranty for one year, for 2 year, for 3
81 years..
82 S: uhuh
83 B: why? BECAUSE ... UH ... IS VERY IMPORTANT THAT THE MACHINE
84 WORKS FOR, A SHORT PERIOD WELL

and (Simulation 2A)

86 B: UH ... WHEN YOU BUY A CAR FOR EXAMPLE, AFTER ONE YEAR
87 NORMALLY, THEY GIVE, THEY GIVE THE WARRANTY FOR ONE
88 YEAR, NOW THEY GIVE THE WARRANTY FOR 3 YEARS. WHY?
89 BECAUSE THE, THE PRODUCT, THE CAR, THE MACHINE, WORKS
90 MORE BETTER, AND THEY ARE, SO THEY, THEY HAVE AN
91 INSURANCE THAT THE, THE MACHINE GO FOR A SHORT PERIOD

92 WELL, PERFECT, AFTER THIS PERIOD, THE MACHINE, COULD BE ...
93 *(laughs)* RUN OUT FOR, FOR SOME PROBLEM

As with Anataki and Leudar's findings, what was being supported, rather than conflict with another speaker's claim, was thus "a claim that needed backing in a more abstract sense of being (apparently) controversial without being specifically disputed", (Anataki and Leudar 1990:285).

Now that the issue of surface structure as a criterion for the identification of claims and claim-backings has been rejected I will move on to the criteria that were employed in this study. I have followed basically two selection criteria, the *principle of charity* and *social permissibility*:

1. *The principle of charity*. Put quite simply, this principle which is derived from the work of Grice says: "Always interpret a discourse in the way that makes the most sense given the information that we have" (Schwartz 1994:3). While this is no doubt a rather loose measure, based to a large extent on subjective interpretation, it nevertheless offers a useful rule of thumb for the first identification. In this regard a distinction was made between explicit claims and explicit backings. If no backing was explicitly present no claim was marked. That is to say, the claim, or apparent claim was not considered. On the other hand, if a backing was present without an explicit claim, then, using the principle of charity, it was marked. An example of such a 'claimless' claim-backing, taken from Simulation 8 is:

312 B: let's... I'm going to pay for one engineer,
313 ok, that would have stayed here to
314 repair my car and then this would cut

315 the cost to 2,540 ... at the end we are
316 reach 6,250, that would be the amount
317 acceptable, BECAUSE IT WAS UP TO YOU TO SEND TWO
318 ENGINEERS, I don't know why you need two engineers to
319 repair the machine
320 S: BECAUSE ONLY ONE IS NOT ENOUGH ... THIS IS THE SIMPLE
321 REASON

It seems reasonable to assume that the seller's backing refers to why two engineers were necessary to repair the machine even though he himself did not, at least not explicitly, make that claim.

Another example of the application of the Principle of Charity comes from the data of Charles already quoted above.

B: and and ... he's he's not so ... but his leg's in plaster *so* ... you know ... that ... that's why he's not with us ...

Had this taken place as part of a telephone conversation, or had the listener been absent from the room for one reason or another, then one might well have taken the buyer's utterance as an argument and the fact that "he's not with us" might well have needed further backing.

Finally, with reference to the principle of charity, one further point needs to be made. Contrary to common practice, which insists on an explicit claim and claim-backing, one further exception was made in the analysis of the data. This concerned the so-called conditionals. Schwartz (1994:4) points out that 'if ... then' cannot be taken as an argument indicator even though conditional statements can,

on occasion, be taken as premises or conclusions of arguments. In analysing the data all cases of conditional statements were looked at and assessed, according to the principle of charity, whether they could reasonably be taken as part of a claim / claim-backing pair even if only the 'if ... then' statement is present. In such cases the 'if ...' was marked using what is known as 'redline' (red line because colour printers print them in red). Black and white laser printers however, such as the one used here, render redlines with a background shadow. In the following 'if ...then' example from Simulation 4A, the missing middle X ('if X then Y, X, therefore Y') is considered as the listener cannot but fill in the missing implicit second premise (the X).

S: and, and I think if you, if you take that in, in conjunction with my what I said about warranties in the future surely your company would be, would be satisfied with that as an agreement for this, in this circumstance ..

I would argue that in conversation the listener cannot avoid completing the syllogism, even though he may not agree that the conclusion follows from the premises. It is interesting to note that, in one of the negotiation courses consulted for this research, Kennedy (1992), one of the key techniques dealt with is that of the use of conditionals. Not surprisingly, the video-scripts accompanying the course also contain a much higher average of conditionals than was found in either the simulated data, or the authentic negotiations of Lampi (1986) and Charles (1994).

2. *Social permissibility.* Once utterances were identified as claims and claim-

backings, the second criterion, taken from Anataki and Leudar (1990), was used. It will be recalled that the definition of a claim offered by Anataki and Leudar was that claims are in essence statements whose truth value is open to dispute.

Likewise, backings may be defined as the presentation of “evidence that what you have said, or the way you have said it, is allowable, sensible or otherwise socially admissible under local conventions” (Anataki and Leudar 1990:285). What is apparent from this definition is that it goes beyond mere validity and includes the ‘socially permissible’ as well. Anataki and Leudar identify five sorts of relations that may exist between claim and claim-backings and if the claims and backings identified using the Principle of Charity could be classified in any of these five, they were counted:

1. *logically necessary backing* - this kind of backing, the tightest kind there is, argues that X is necessarily the case. That is to say “if the premises are true,” claims in this group “succeed or fail as a matter of impersonal logical form” (Anataki and Leudar 1990:286). No cases of logically necessary backing were found in the data.
2. *non-logically entailing backing by diagnostic feature* - here the claim is backed up by something which carries a weight of evidence “as a normally found feature of the phenomenon asserted” (Anataki and Leudar 1990:287). An example (Simulation 7) from the data collected for this study is:

27 S: so, it's ... you know legally is ... the, the
28 contract is there and ... uh ... we actually, YOU
29 ACTUALLY SIGNED A CONTRACT WHICH ... UH ... AND THE
30 AGREEMENT WAS THAT WITHIN TWO YEARS YOU ... WE WOULD
31 HAVE REPAIRED THE MACHINE FREE OF CHARGE

- 32 B: yes
33 S: but you know the time has passed and so ...
34 one year, sorry, it's one year

Even though the seller seems somewhat confused about the duration of the guarantee this does not alter the point that in socially conventional ways, any date beyond the expiry date of a contract stands as a sign that the contract is no longer in force. As Anataki and Leudar (1990:287) put it "... the backing can be thought of as a prototypical characteristic of the event or state being claimed." Interestingly, as Anataki and Leudar found, the fact that there is no strict logical connection between the claim and the backing nevertheless did not give rise to one case of dispute on the part of the other participant in my data.

3. *amplification* - to quote Anataki and Leudar (1990:287), amplification is when "the relation between claim and backing is not so much a warrant of the truth of the assertion but rather an explication of *in what sense* it is true". Given that the purpose here is less to persuade than to disambiguate it may be taken that the claim is insufficiently specified. The example given here is from simulation 1A

- 284 B: I don't know if, if you can think that ... uh ... this kind of
285 intervention is an intervention of a post sale ... uh ... in the sense,
286 not of the word but in the sense to, to check ... uh ... what kind of
287 problems could happen ... uh ... to a product of yours

4. *reaffirmation with detail* - in these cases the core idea of the claim is restated in sufficient detail to stand as evidence that it is true. As Anataki and Leudar

(1990:288) put it “the implication is that the speaker knows so much about it that it must be true”. The example here is from Simulation 7. It simply goes on and on, with one backing becoming a new claim and so on until eventually it trails off into ‘the obvious’

128 S: you know, maybe if we ... uh ... maybe in England ...
129 anyway, we think you usually that for ... uh ... for after sales
130 services, also the companies mean that kind of services, and you
131 know TECHNICIANS DIDN'T SAY ANYTHING BECAUSE
132 IT'S NOT THERE JOB, THEY, THEY JUST CAME TO REPAIR THE
133 MACHINE AND THEY DON'T CARE, ACTUALLY IF, IF THEY ...
134 BECAUSE IT'S OUR COMPANY WHICH PAYS THEM, SO, THEY,
135 THEY DON'T CARE IF YOU HAVE TO PAY THEM OR OUR COMPANY,
136 so, they just come and do their job so
137 that's why...

5. *Backing conversational moves* - so far, in one way or another, what is being backed is the validity of the claim. In this case however, it is not so much the validity that is in question as the legitimation of the conversational move. Anataki and Leudar (1990:289) describe them as follows: “These claim-backings are regulative aids to the conversation and warrantors of conversational move, in spite of their surface similarity to explanation in other cases”. In their findings, as in the data examined here “it is these claim-backings which have the strongest sense of explainer explaining themselves.” (Anataki and Leudar 1990:289). The example given here (from Simulation 3B) is one of the more typical cases in which the speaker explains why he is justified in asking

255 B: what, what, excuse me, what sort of increase would you be
256 thinking of there?

2.4 CONCLUSION

In order to examine the initial feeling of ‘flatness’ of language I experienced after the first cursory look at the data and the suspicion that this was related to the lack of interactional language and the excessive use of argumentation, this chapter developed a detailed theoretical framework with which to analyse the data. Once the issue of interactional language in negotiations had been discussed and the importance of relating negotiation events to the larger business contexts in which they are embedded had been underlined, three specific areas of interest were identified and discussed in detail: *(i)* openings and chat phases, *(ii)* the use of marked disagreement, and *(iii)* claims and claim backing. As far as openings and chat phases are concerned, it was indicated through reference to Charles (1994), that the influence of the business context on the language produced in negotiations was most noticeable at the boundaries of the macrostructural elements. It follows that when, in Chapter, 4 the data is analysed, particular attention will be given to these boundaries. Marked disagreement is discussed as this gave another possibility of looking at the use and frequency of interactional language in simulated negotiations. Finally, argumentation is discussed in order to compare its use and frequency in authentic and simulated negotiations.

CHAPTER 3 - RESEARCH PROCEDURES AND ANALYTICAL FRAMEWORK

3.1 OVERVIEW

Chapter 3 first discusses the simulations and the selection of participants. Then the transcription conventions are listed and finally, the research procedures and handling of the data are described.

3.2. THE SIMULATIONS

Data was gathered by giving the participants two negotiation simulation briefs which were taken and slightly adapted from Lees (1983a - see Appendix A). Both focus on business relations being maintained and indeed further developed over time rather than being one-off, winner takes all negotiations. An important feature of the way the negotiations were presented is that the participants were not told why they were doing them apart from the fact that the data was needed for 'linguistic analysis'. This was intentional as the main focus of this research is the use of simulations in ESP teaching and not in business training courses. Thus, given this 'linguistic' focus, it was assumed, though not mentioned to the participants, that they would take 'language performance' rather than strategic performance, as their purpose, thereby bringing the data more in line with that which might be expected in an ESP classroom.

3.2.1 SIMULATION 1 (EARTHWORKS)

In the first simulation the problem revolves around an invoice query. An earth-moving machine, bought by 'CCM - ITALIA' from 'EARTHWORKS LTD', broke down two weeks after the stipulated guarantee period had expired. After repairing it, EARTHWORKS LTD sends the CCM-ITALIA a hefty invoice which CCM - ITALIA contests. Legally however, CCM - ITALIA does not have a leg to stand on. Their representative's objective is therefore to find and apply pressure points on which to build a proposal platform from which he could reduce the total amount due. The seller of EARTHWORKS LTD on the other hand needs to consider future business with CCM - ITALIA and is therefore forced to seek some kind of solution that, (i) satisfies the CCM - ITALIA and (ii) does not damage his own company financially. He has to move at some point but has to be careful not to indicate this willingness too soon. This simulation was selected as a high frequency of disagreement was expected which would allow for a look at mitigation strategies.

3.2.2. SIMULATION 2 (EAST END TEXTILES)

The second simulation deals with the problem of a significant reduction in purchases and the aim of the seller to discover why and get business back on a satisfactory footing despite inevitable price increases. This simulation is very similar to the authentic negotiations analysed by Lampi (1986) and Charles (1994) and was therefore chosen in order to compare claim-backing in simulated and authentic negotiations.

3.3. THE PARTICIPANTS

For the first simulation (see Appendix A - simulation 1) two different groups of participants were used (see Appendix D - simulations 1A, 2A, 3A, 4A, 5, 6, 7 and 8). In 1A, 2A, 3A and 4A, four Italian managers with significant negotiation experience met with an English negotiator. In all four cases the Italians were the buyers while the English mother tongue speaker was the seller. In simulations 5, 6, 7 and 8 (using the same simulation, i.e. simulation 1 in Appendix A), only Italians participated. None of these had any significant negotiation experience. These two groups are referred to as *professional* and *non-professional* negotiators in this study.

The second simulation (see Appendix A - simulation 2) was done by only the same group of professional negotiators mentioned above (simulations 1B, 2B, 3B, and 4B), once again with the same English mother tongue speaker who this time took the role of the buyer while the Italians took the role of the seller. Thus, for example, simulation 1A and 1B are done by the same two people in which each one takes the role of buyer and seller once.

The Italians' level of English ranged from intermediate to early-advanced. There was however one significant exception - the buyer in simulation 4A (seller in simulation 4B). This person had spent a number of years working for a large American company in Rome where practically all communication was done in English. His command of English was significantly better than that of the others.

3.4 TRANSCRIPTIONS

The conventions used include the following features

- neither phonetic transcriptions nor intonation are given. Thus recognisable words are transcribed according to their conventional spelling
- when a word or group of words is undecipherable, they are marked as (*inaudible*)
- recognisable sentences are marked with a full stop, normal pauses are indicated with a comma, short pauses with ... and longer pauses with
- non-verbal activities that were considered of potential significance are marked, eg (*cough*), (*clears throat*)
- periods of silence in which the floor is occupied by neither speaker are indicated as in the left hand margin according to the length
- 'backchannelling' is transcribed as either uh, uhuh, or uhm
- disagreements are indicated with double underlining
- claims are indicated with a courier font while backings are indicated in small caps. When a claim becomes a backing for a new claim, as in chained arguments, then is is indicated with both courier and small caps (see Chapter 6 for examples)
- interruptions and overlaps are not marked as these, (*i*) do not influence the data analysis at all, and (*ii*) merely contribute to rendering the already complicated transcriptions more difficult to read

3.5 RESEARCH PROCEDURES

3.5.1 OPENINGS AND CHAT PHASES

Taking the cue from previous research on boundary moves discussed in Chapter 2, specifically that of Charles (1994), Cheepen and Monagham (1990) and Cheepen (1988), the openings and chat phases were analysed. Particular attention was given to the topic structure of the I-element and following two boundary moves:

1. the move (or moves) that took the participants from the real world into the simulated world in order to see if any similarity existed between the simulations and the authentic negotiations analysed by Charles.
2. the move (or moves) that took the negotiation for the I-element to the D-element, that is to say the macrostructural I/D boundary

These two discourse boundaries were singled out for investigation on the suspicion that the biggest differences would be found at these points in the discourse. The reason was that the absence of a superstructural business context within which authentic negotiations are embedded may be expected to produce interesting differences in the linguistic realisation of the event.

The rest of the simulations were also looked at in order to find and assess instances of chat phases. Finally, the macrostructural D/E boundary was looked at.

3.5.2 MARKED DISAGREEMENT

The data was analysed following the list of Stalpers (1995) for the surface structure of mitigation (see 2.3.3.2 - MARKED DISAGREEMENT AND MITIGATION), *(i)* those that delay the disagreement act - group A, *(ii)* those that accompany the disagreement act - group B, and *(iii)* those that concern the disagreement act proper - group C. Though extended with further examples from Fraser (1980:345*cf*), the original list from Stalpers is kept substantially unaltered and used to identify marked disagreement in 8 of the 12 simulated negotiations in the data collected for this research. These 8 simulations 1A, 2A, 3A, 4A, 5, 6, 7, and 8 - the Earthworks simulation.

As already mentioned in Chapter 2, though Stalpers assesses her data in terms of mitigation strategies, what is of interest here is the surface structure of marked disagreement. This is immediately readable from the data and not, as with mitigation, an interpretation of what the markedness implies. Marked disagreement may indicate strategies other than mitigation, or simply due to L1 influence leading to a 'simpler' language.

3.5.3 CLAIMS AND CLAIM BACKING

Once the claims and claim-backing had been identified (2.3.4.3. IDENTIFYING CLAIMS AND CLAIM-BACKINGS) the problem of quantifying this information had to be dealt with. What was required was, not so much an identification of the various sorts of claims and backing, as finding a criterion for the counting that would somehow

give the information of how much argumentation was used. The following possibilities were considered:

1. counting the number of claims and their respective backings: this solution however ran into difficulties as soon as claims with more than one backing were encountered. Were they to count as one or two? What about two claims with one claim-backing? What about cases (see above) in which only the backing was explicitly present? Were the implied claims to be counted as well? As already mentioned, it is extremely difficult to isolate each claim / claim-backing pair from the surrounding discourse. Secondly, and assuming these claims and backing can be isolated and counted, once this number had been achieved, what were they to be measured against? That is to say, a ten-page dialogue with 100 claim / claims-backings actually has less overall argumentation than a five-page dialogue with 75 claim / claims-backings. Finally, counting arguments while not considering argument length would give the same value to an argument developed over a one-liner as one developed over a number of lines, or even turns.
2. counting the number of claims per turn: this solution was immediately rejected as turns were not only messy to identify, but the significance of any 'x disagreements per turn' was not apparent.
3. counting the number of claims per topic: this possibility was rejected as once again it was not apparent what relevance such information could have for the study since the hypothesis was quite simply that participants in simulations tend to make more use of argumentation than is found in authentic negotiations.
4. counting words: this option, which was chosen, seemed the best for the purposes of the study which was quite simply to see how much linguistic exchange was

dedicated to claims and claim-backing in the data. Thus, all claims were marked (see above for method), the number of words counted, then divided by the total number of words in the dialogue and finally the percentage was calculated (see Appendix D).

3.6 CONCLUSION

Chapter 3 described the simulations used to collect the data, the transcription conventions and the procedures adopted to analyse the data. Given the detailed discussion in Chapter 2, two discourse boundaries in particular were singled out for the investigation of openings and chat phases. The analysis of marked disagreement in the data will follow the classification proposed by Stalpers (1995). Finally, various possible ways of approaching the analysis of claims and claim backings were considered and, given the hypothesis that participants in negotiation simulations make more use of argumentation than they would do in authentic situations, it was decided to count the number of words devoted to claims and claim backing in order to calculate the percentage of language dedicated to argumentation.

CHAPTER 4 - DATA ANALYSIS

4.1 OVERVIEW

Chapter 4 deals with the results of the analysis of the data. Though the interpretation of the data is done in Chapter 5, comments which were considered pertinent were made in this section. The Chapter deals with openings and chat phases, marked disagreement and finally claims and claim-backings.

4.2 ANALYSIS 1 - OPENINGS AND CHAT PHASES

4.2.1 THE MACROSTRUCTURAL I/D BOUNDARY

Simulation 1A

The initial 'nice to meet you' immediately functions to break with the real world and place the participants in the simulated one. Both of them had already been introduced before the negotiation, and, seen in the light of this, the 'pleased to meet' seems somewhat odd. As in the other simulations discussed below, the function here is to signal the break between reality and simulation. Almost invariably this is taken up by the second speaker in the second turn. This simulation is no exception and in the data the transition from the real world to the simulated one is *always* achieved through a single move. Once the transition has been affected ("*and you ... yes*" - line 2), one would expect the I-element to begin. In other words, one would expect the participants to work on the negotiating climate before dealing with the I/D boundary move(s). In simulation

1A this is not the case. One may intuitively feel that the praise the buyer heaps on the machine is part of climate setting but this is however an agenda item, and cannot be classified with the topic typically found in the I-element. Furthermore, the I/D transition is extremely difficult to identify in this simulation. There is certainly no single move boundary in the sense Charles has indicated, nor can we identify procedural sequence boundaries. The feeling one gets, and this will be confirmed by the other simulations, is that by line 3 we are *already* in the D-element. In other words, they are already discussing agenda issues and not leading up to them. How then can we explain the negotiation climate setting in the data? Note, I am not arguing that in simulated negotiations participants never, or indeed cannot 'set the climate' in the D- and E-elements. I am arguing however, that since there is no I-element as such, climate setting must be dealt with elsewhere. This leaves the participants with two locations for climate setting: either in the D-element itself, as in this simulation, or in the I/D transition move(s) (see simulations 3B and 7 below).

Simulation 1B

- 1 B: just a moment ... record ... record ..
- 2
- 3 S: ok ... how are you?
- 4 B: fine
- 5 S: fine
- 6 B: nice to see you again ..
- 7 *(both laugh)*
- 8 *(long pause with both producing sighs typical of 'getting down to work')*
- 9 *work'*
- 10 S: I *(inaudible)* meeting you because ... uh ... I asked to meeting you

In this negotiation the two participants are meeting for the second time. This would

appear evident from the buyer's "nice to see you again" in line 6 and the signal in line 1 that the simulation has not yet started. However, since the brief indicates that the two have probably had a business relationship before, the 'nice to see you again' is ambiguous. This would seem to be confirmed by the laugh in line 7. The laughter cannot possibly be explained by anything humorous said before. That leaves laughing as a face-saving device to cover embarrassment or to mitigate a threat (Neu and Graham 1995:257). Indeed, the failed mutual construction of the simulated space, the *first task* of participants in simulated negotiations, is threatening embarrassment for both. The sighs produced by both, typical of those made before commencing a job, eliminate the ambiguity by signalling that the activity has not yet begun, thereby defining the frame they are in at that moment; i.e. reality and not the simulation. In line 10, the seller deals with the problem with a clear signal that they are now in the simulation. It is evidently a boundary move using procedural language announcing the purpose of the meeting. As boundary move, it does not bring about the transition from the I-element to the D-element, but from the real world to the simulated world. As such, and the rest of the data confirms this without exception, such real world to simulated world boundary moves are always single moves. Once again, there is no I-element at all in this simulation

Simulation 2A

Here there is no doubt where the D-element of the macrostructure begins - with an unequivocal single move starting in line 2 which is also quite clearly a procedural move

- 1 B: ok, pleased to meet you ... uh ..
- 2 S: and you ... uh ... (*clears throat*) ... well now, we've got to, try to

- 1 resolve this ... question ... uh ... I gather that your company is
2 unhappy about ... uhm ... about paying this invoice

The striking aspect about this simulation is that the initial chat phase, which in the simulations are generally reduced to the absolute minimum, does not even manage to get past one turn! What is more, it is here that formulaic language is encountered. Nor, as the rest of the data will indicate, is this limited to this one simulation alone. There is a tendency to move the formulaic language (e.g. *what can I do for you?*) from the macrostructural I/D boundary moves to the initial chat phase. I shall return to this point later.

Thus, while simulation 2A seems to 'fit the model' it can only be said to do so in a perfunctory way. Since the negotiation *starts* with a macrostructural transition it is difficult to see how one can speak of transition in the first place

Simulation 2B

- 30 B: anyway
31 S: can we start?
32 B: uh ... mine is going round already
33 S: uhu ... ok, no, not mine
34 B: no problem
35 S: ok
36 (*Seller switches on his tape recorder*)
37 B: (*clears throat*)
38 S: pleased to see you
39 B: and you
40
41 B: uh ... what can I do for you?
42 S: well, we have to, to see something about our

43 ... uh ... agreement ... uh ... because I notice that
44 ... uh ... during this year something ... uh ... or, there was
45 some decrease of purchase for your company about

Simulation 2B is interesting since the chat phase lasts well beyond the usual 4 to 5 turns found in the other simulations. The seller is unaware that the tape recorder is already running and a long I-element (one is tempted to say a 'textbook' I-element!) follows in which the two participants discuss the effect the weather, which, in effect, had been particularly hot that week, had on one of the participants. However, a look at how they deal with the awareness that the seller's tape recorder had been off all along, clearly indicates that for neither of them the simulation had started. This is achieved only in line 38 (B: "*pleased to meet you*") functioning once again as a boundary between the real world and the simulated world. Once this formulaic language of the introduction has been dealt with, the buyer achieves the transition to the D-element in a single move that was also found in Charles' data ("*what can I do for you*"). The long (and I dare say, realistic) I-element is negated completely by the participants in lines 38 and 39, confirming yet again the suspicion that simulated negotiations do not contain I-elements in their topic frameworks. This could once again lend support to the hypothesis that participants of simulated negotiations see them as, (i) self-sufficient artefacts, and (ii) these artefacts are limited, at least as the I-D elements are concerned, to the D-element of authentic negotiations

Simulation 3A

This simulation represents probably the most significant break from Charles' findings. Lines 1 to "*ok, fine*" in line 22 follow a procedural sequence (without any initial chat phase) which discusses the way the simulation itself should be 'played'

(line 8). Once this has been established, the seller changes frame, and in one turn (line 22) moves from metacommunicating about the simulation to the I-element. The buyer takes this up with a 'thank you' indicating his acceptance that they have passed from the 'real-world' to the simulated world. Indeed, one suspects that in simulations this is the real function of the I-element, i.e. to act as a boundary between the 'real world' and the 'gaming world' of the simulation rather than as a negotiation climate setter as in authentic negotiations. Put otherwise, in both authentic and simulated negotiations elements of procedural language, metacommunicating about the event are found. The difference is however, and this is clearly illustrated in Simulation 3A, that while authentic negotiations make reference to the D-element of the negotiation, in simulations the simulation itself is referred to and mutually agreed upon. This would also explain why the I-elements, at least I-elements with the topic characteristics of authentic negotiation I-elements, are invariably short as it is difficult to imagine how a boundary move intended to distinguish between different 'metaphysical' worlds (reality and simulations) can be stretched out over a number of moves; one is either in the simulated world or not. It will be recalled (2.3.2 - ANALYSIS 1 - OPENINGS AND CHAT PHASES) that Charles' findings (fig. 1) indicate that topic shifts between topic frameworks are invariably sharp. It does therefore not come as a surprise that even more radical shifts (between worlds) would be equally sharp, if not more so. Once the transition has taken place the negotiation has begun, and since the negotiation is equated with the D-element, the I-element, at least as it appears in authentic negotiations (as climate setter) either disappears or is reduced to formulaic expression. The I-element, which in authentic negotiations is used to 'feel out' the other negotiator and assess the climate does not, and indeed cannot fulfill this function in simulations due to the more perceived need of getting

out of reality and into the simulated world.

Indeed, the seller takes up the buyer's invitation to start (*So, welcome*) and in a single procedural move in line 23 with which he 'starts' the macro-structural D-element

23 B: thank you. I'll start then ... uhm ... I see that ... uh ... I see that
24 you've received this invoice and you are informed about
25 the situation

Simulation 3B

The seller here achieves the transition from the real world to the simulated world by first establishing that they are still in the real world (line 2), and then, in line 4, entering the simulated world, reinforcing the change of frame by calling the buyer Mr. East End!

1 B: all right
2 S: so playing the role
3 B: playing our roles
4 S: so, good morning Mr. East End (*laughs*)
5 B: good morning and nice to see you again
6 S: and ... uh ... it's a pleasure of course for me to come here to visit
7 you
8 B: uhuh
9 S: and ... uh ... I hope that will this be an opportunity for we discuss
10 our possibility of doing business together and for us to serve you
11 even better in the future
12 B: I certainly hope so, we've been very satisfied in the
13 past with ... uh ... all our arrangements

In both these moves he seems to be helped by the buyer. However, the buyer

introduces an element of ambiguity in line 5 when he uses the word 'again'. This is indeed the second time the two meet, but not as representatives of EAST END TEXTILES and TESSITALIA. The first time they met was in the previous simulation (simulation 3A). However, the brief they are working with now does state that they have already done business together and it is thus not clear if the buyer is simply trying to add realism to the simulation by saying 'again', or whether he is in fact referring to the previous meeting in which they 'played their roles'. That the seller, in line 6 continues with a move to the simulated world is not surprising. Nor is the fact that he is even clearer about 'where they are' - i.e. in reality the buyer did not come to *visit* the seller, but came down from his office to do a simulation for me. The reference to the visit quite unambiguously places him in the simulated world. Yet, in line 8 the buyer still has not given a clear signal that he has 'entered' the simulated world too and the seller in line 9, 10 and 11 has to continue his transition work. And he does this by putting himself in a definite one-down position as a servant in relation to the buyer. Only now, in line 12 does the buyer finally signal his entry too, and he does so with an appeasement move. Of all the simulations dealt with in this study, 3B probably offers the clearest example of interactional language. There seems to be a clear battle for the definition of the relationship between the two participants, but what makes it particularly interesting is that one cannot but suspect that this battle is over the 'real' relationship as opposed to the simulated buyer/seller one. The buyer seems to be saying that until he gets placed in a one-up position, he will not give his permission to enter into the simulated reality. It is probably not a coincidence that, immediately after their first simulation the seller (in simulation 3A - i.e. the buyer in simulations 3B) confessed to me that he had felt 'completely demolished' by the seller. It will be recalled that in the previous simulation (3A) the buyer took complete

control over the event right from the beginning by metacommunicating quite aggressively about the frame they were in and then deciding on his own to start in line 23 (“*So, welcome*”). What is of interest in all this is that the interactional language which, by all counts seems genuine, deals with their ‘real’ relationship and not with that of their simulated roles. The buyer, after being ‘demolished’ the first time seems to have decided to get even the second time round and used to the simulation itself to do so!

These considerations are not of peripheral interest. It is one of the main arguments of this research that interactional language is excluded from simulated negotiations, and that when such language does make its appearance it is either merely formulaic and in order to effect the transition from reality to the simulated world, or, if genuine, with reference to the real world, beyond the simulation. That is to say, in simulated negotiations, interactional language is not considered strategically in furthering the business interests of the negotiating parties.

Up to line 52 the dialogue seems to function as a procedural sequence boundary as numerous references to the meeting itself and its purpose are made. What is interesting here however is that, in spite of the numerous procedural moves, closer inspection seems to indicate that the main function of this section is not so much a transition phase as a climate setting phase, i.e. the sort of topic one would expect in the I-element! I would suggest that the transition phase is the only place where setting may be created since there is no I-element in which to do so (the I-element, as already argued, being taken up by the more pressing business of stepping out of reality and into the simulated world). This will be further illustrated when looking at simulation

7. Thus, given the initial imbalance felt in the (real-life) relationship by the buyer, it is not at all surprising that so much time is taken up in the simulation itself to work on the interactional aspect. Interestingly enough, even in the closing stages of this simulation reference is made to the 'good relationship' they have had in the past. Furthermore, the very last words of the simulation itself are a mutual stepping out of the simulated space with a metacommunication about how pleasant the simulation itself was

423 S: it was nice

424 B: that was nice

Then, and this was the only time it has happened, the two (but with the seller taking the lead) discuss the simulation *after* ending it. Specifically they discuss how it was possible for the seller to give the buyer such a good deal and end with

450 S: I am not so sure that it will work but at least I will not be fired for
451 losing the customer

Basically, the participants seem to both want to avoid an escalation and the repeated cooperative signals would seem to confirm that. I would further suggest that this desire to avoid conflict is not due to strategic decisions on the parts of the participants in order to achieve the objectives set out in the briefs but simply to keep reality 'at bay'. I would accordingly suggest that:

1. The interactional aspect cannot be simulated. This, I would argue, is due to the tension that results from the simulation itself as context, and the context created by interactional language. For instance, if one participant

communicates anger, irritation or empathy, does this contextualise the simulation (i.e it is real), or does the simulation contextualise the relation indicated by the anger, irritation or empathy (i.e. it is not real)?

2. It is the bridge that connects the simulated world to reality. The simulated world cannot be wholly cut off from reality as this would make it extremely difficult for the participants to 'get back'. It is thus primarily through the use of interactional language that the participants signal to each other, 'this is a game'. It goes without saying that the signal, 'this is a game' cannot of course itself be part of the game; the 'game' refers to the transactional aspect only.

Simulation 4A

Recalling Charles' argument that the macrostructural I-element begins the moment the negotiators first set eyes on each other, the seller starts with a potentially realistic beginning when he invites the buyer (who was still at the door) to "*please come in*". However, neither of them take this as the start. The Italian 'grazie' can be taken as a message that the 'negotiation has not yet started and this is confirmed in line 4 when he asks "*who starts first?*". This "*who starts first?*" functions both as a signal that the negotiation has not yet started and as an invitation to start. In line 5 the seller takes this up, not with a metacommunication about the simulation (as in line 4), but with a move that can only be interpreted as being 'in' the simulation. He thus both answers the question in line 4 (by basically saying 'me') and effectively begins the simulation; to begin it one has to be *in* it, as long as one talks about it, one is still outside.

- 1 S: please come in
- 2 B: grazie

- 3 S: *(laughs)* ... rights ... let's ... uh ...
4 B: who starts first?
5 S: well, let's see if we can, we can see what ... uhm ... what's going
6 to happen. We've ... uhm ... we've sent this invoice to your
7 company and ... uhm ... I gather that there's ... your company is ...
8 uh ... uh ... a bit reluctant, or, or, or perhaps unsure about paying
9 ... uh ... this invoice. Can you please ... uh ... clarify the position?

This simulation is interesting in that it does provide evidence of boundary move language, but, since there was (once again) no I-element in the first place, it can only be argued that the procedural moves of the seller are functioning as boundary moves between the 'real' world and the simulation. The use of 'well' here is also indicative. Lampi (1986) found numerous examples of 'well' used to indicate a transition from chat phases to discussion phases in her data. However, since the transition achieved in line 5 is from the real world to the simulated world it is probably more plausible to see the seller's 'well' as marking a dispreferred response (Levinson 1992:334). His search for words in line 5 would seem to confirm this. It is also significant that already in line 3 the seller attempts, albeit unsuccessfully, to introduce the boundary move. The point however is not that there is a struggle for the floor, but that it is done in a way quite foreign to authentic negotiations, i.e. taking the initiative to 'start' the negotiation which, in authentic negotiations would already have started the moment the seller stood in the door.

Finally, it may be suggested at this point that one of the reasons why the I-element is consistently absent from the simulated negotiations, is that it does not represent a clear enough break with the real world. It would seem that the first task to be accomplished is that of making a clear transition from the real world to the simulated

one and for this purpose, the topic framework of authentic negotiation I-elements is not satisfactory as it leaves too much ambiguity as to whether the transition has or has not been accomplished. The only move available is to move straight into the D-element, i.e. the discussion of the agenda issues.

Simulation 4B

Like simulation 1B, the word 'again' once more seems to create problems about the 'world' the participants are in. After a hesitation, the seller answers with a long drawn out 'so' indicating an explicit change of topic. But what topic if not that of establishing the simulation framework? It is also interesting that the seller does not take up the buyer's opening in line 1 with an expected reply, but with an unambiguous statement that the simulation has begun. He does so by referring to the matter at hand directly and there can be no doubt as to 'where' he is. In doing so the seller skips not only the I-element altogether, but also the boundary moves that come between the I- and D-elements.

- 1 B: well, nice to see you again (*laughs*)
- 2
- 3 S: so ... did you get ... uh ... our letter ... uh
- 4 B: yes, we did, yes

In other words, this simulation starts with the D-element and I would suggest that this is (at least partially) due to the desire to overcome the ambiguity of the 'again' in line 1. I have already argued that the participants of simulated negotiations equate the negotiation with the D-element of negotiations and hence, it does not come as a surprise that here too establishing the D-element is one way of clearly signalling that

the negotiation has begun. Predictably, in line 4 the buyer signals his sharing of the 'game world'. The transition is again achieved through a single boundary move.

Simulation 5

- 1 S: good afternoon
- 2 B: good afternoon
- 3 S: here we are ... so, you send me a letter

In this simulation the first turn is ambiguous in terms of identifying the world the participants are in (it *was* in fact afternoon when the simulation was done). The buyer echoes this in line 2 and by line 3 it is still not clear 'where' they are. Nor does the seller's "*here we are*" in line 3 help. Where, one wonders? The informational content of "*here we are*" is zero - obviously both know they are 'here', yet, in terms of what has happened before, it not clear if this may be taken as a 'here and about to begin', or 'here we are in the simulated world'. This ambiguity is reflected in the 'so' which follows a pause and which clearly indicates a desire to change the topic. Changing the topic in this case means changing, clearly and unambiguously, the topic framework from real life to the simulated world. This is achieved in line 3 when reference is made to the main agenda item, the disputed invoice. Thus, once again, the boundary move is not from one macrostructure (the I-element) to another (the D-element), but to move from the real world to the simulated one bypassing the I-element altogether.

Simulation 6

Like simulation 5, this one also begins with "*good afternoon*". And this in spite of

the fact that the two participants had been talking to each other for at least five minutes before the simulation began. Yet, like the others, their first problem was not to get the I-element going, but to move from the real world to the simulated one. This is achieved by not only greeting each other five minutes after meeting (!), but by introducing themselves too. It is interesting that this simulation is the only one in which there is some trace of a genuine I-element. Apart from the introductions which function more to indicate the break between the real world and the simulated one there is an example of climate setting (the only one in all the simulations) in line 11 when the buyer expresses an obvious intent of putting the seller in a one-down position

- 1 B: good afternoon
- 2 S: good afternoon
- 3 B: good afternoon. Nice to meet you
- 4 S: nice to meet you. Can I introduce myself?
- 5 B: yes. Please
- 6 S: I'm C.G. I'm a, a sales manager of the, the British Construction
- 7 Equipment Manufacturer and I work in this company since ... uh
- 8 ... 19 ... uh ... 90
- 9 B: three years
- 10 S: yes
- 11 B: only three years?
- 12 S: yes, but I have a lot of experiences before
- 13 B: in other companies?
- 14 S: yes, in other company like this ... other company, about
- 15 machines
- 16 B: your specific ... uh ... work is ... in this company?
- 17 S: sales manager
- 18 B: sales manager. OK
- 19 S: sales manager, yea
- 20

- 21 B: I introduce myself?
22 S: yes, ok
23 B: I work for a construction company. There is a CCM, is a Italian
24 company
25 S: yes. I know
26 B. uhm ... we received a ... this invoice ... uh ... in the date 12 of
27 September of 1993, and this is an invoice about a ... repair
28 charges

Once the introductions have been dealt with, the buyer feels that the I-element is over and indicates the transition to the D-element in a single abrupt boundary move in line 26 when he refers to the reason why they are meeting. Initially there seems to be little connection with what happened before but, going back to line 20 (*B: I introduce myself?*) and the seller's "yes, ok", it seems rather surprising that when the buyer does so the seller answers with "yes, I know" in line 24, effectively cutting short the buyer who then makes the boundary move on his next turn. The seller's 'yes, I know' not only cuts the buyer short, but also any point of continuing with the I-element leaving the buyer with no option but to 'get on with it'. Thus, going back to the buyer's 'only three years?' in line 11 and the abrupt 'yes, I know' in line 24, the escalation between the two is quite understandable. This was the only example of climate setting in all the simulations, and probably as a result of this, the only example of a I/D boundary move that clearly comes between the I-element and the D-element.

Simulation 7

Simulation 7 follows the by now familiar pattern of starting off with a move that distinguishes the simulated world from the real one. The participants are colleagues in the same company and have known each other for a number of years. Yet, the

buyer introduces herself with her real name, a move that can only function to create the necessary break between the two worlds. It is so clear that she does not need to wait for confirmation from the seller and immediately introduces a procedural boundary move between the simulated world as global frame and the negotiation as local frame within that global frame.

- 1 B: so ... uh ... nice to meet, meet you. I'm A.P. and in charge of
2 this ... uh ... small problem. May I ...

The seller then echoes the buyer. After first introducing herself (here too with her real name) and thereby confirming that the 'game' has begun, she also follows with a procedural move indicating why they are meeting. Once again, the I-element is non-existent. It is interesting, but unfortunately beyond the scope of this research, to note that this is the only simulation which ended in a deadlock. One cannot but wonder if this mirroring between the buyer and the seller in the first 5 lines did not in some way set the stage for the symmetrical relationship that followed.

- 3 S: my name is Mrs L and ... uh ... I represent British, a British
4 company and ... uh ... I know we that we meet, we
5 are going to discuss, we are, we are meeting
6 to solve a, a little problem

Once they have moved from the real world to the simulated world, the main task of participants is to get to the negotiation simulation. It can thus be hypothesised that the schemata, or topic framework for simulated negotiations is as follows: real world → simulated world → simulated negotiation (i.e the D-element of the

macrostructural layer). The superstructural layer (at least as far as the business relationship is concerned) and the macrostructural I-element are, for all intents and purposes absent. Analysis according to topic of the simulations so far would seem to confirm this.

Simulation 7 represents an interesting example of procedural sequence boundaries as opposed to single move boundaries. The transition to the D-element proceeds until line 23 when the seller points out that the issue at hand is the fact that the buyer's company had signed the warranty agreement.

- 7 B: yes ... yes
8 S: because I hope that in the future we'll continue to have
9 ... uh ... other occasion to, to meet each other and ...
10 maybe ... in another situation. So I ...just ... uh
11 B: /yes. if, if I can ... first of all I want to
12 ... apologise for my awful bad English and
13 after for my asking you to come here because
14 ... it's a long journey. So, I'm sorry because
15 this, this is a small problem ..
16 S: yeah, but ... don't worry. I, I've, I received your letter
17 B: yes
18 S: and ... uh ..
19 S: yes. So you've been told
20 B: (*inaudible*) yeah, I've been told from my administration bureau
21 about the problem and I ... uh ... so, I thought it was
22 important as you are a new customer to, to come
23 here, to meet each other and try and solve
24 the problem ... in ... in a friendly way, we
25 can say
26 B: yes, I think so too (*laughs*)
27 S: so, it's ... you know legally is ... the, the

28 contract is there and ... uh ... we actually, you
29 actually signed a contract which ... uh ... and the
30 agreement was that within two years you ... we would
31 have repaired the machine free of charge

It is interesting to note that the transition phase is also used to build relationships and a negotiating climate. Of course there is no reason why this should not also occur in authentic negotiations, but the point here is that, since there is no I-element, participants in simulated negotiations seem forced to do so in the transition phase. Along with simulation 3B this was the only simulation in which such relationship building moves were noticeable. Indeed, I would go so far as to argue that the main function of lines 1 to 26 are that of establishing the relationship, rather than acting as a transitional phase. The simulations looked at so far gave no significant evidence that the participants included this I/D transition in their topic frameworks. In other words, procedural language was used not to move from one macrostructural element to another, but to talk about the relationship and set the climate. It is probably also not purely coincidental that, in this simulation, like 3B, there was a degree of tension between the participants before the simulations started, in 'reality'. It will be recalled that in 3B the buyer was still upset about 'being demolished' in simulation 3A. Here, in simulation 7, the participants work in the same company and, it was confessed to me by the buyer, that they do not get on very well. I find it difficult to conclude that it is a mere coincidence that the fact that the only traces of genuine climate setting are in 3B and 7 while it is exactly these two that brought with them, from 'reality', tensions into the simulation itself. The implication for simulation training will be discussed in the final chapter.

SIMULATION 1A

- 117 S: uhuh
- 118 B: about how this kind of accident could be occurred ... uh ...
119 probably I will be ... I, I'm going to have, I'm going to have a lot
120 of problems .. to ... uh ... to fulfill... uh ... to have the possibility
121 to confirm the ... the ... to buy ... more ... uh ... machines from
122 your company, and, uh, but this is not, this is only, it's not, it's, it's
123 only a small, a small consideration
- 124 S: uhuh
- 125 B: I ... I, I don't want ... to force you ... uh ...
126 uh ... BECAUSE ... UH ... FROM, UH, THE LEGAL POINT OF VIEW
- 127 S: uhuh
- 128 B: OF VIEW ... UH ... YOU ARE RIGHT
- 129 S: uhuh
- 130 B: YOU ARE RIGHT
- 131 S: uhuh
- 132 B: WE, WE, WE, WE WERE OUT OF THE ... WE WERE OUT OF THE
133 WARRANTY. I can ask to my lawyers (*laughs*) this is ... but I ask, I
134 ask to you, to your company, to take in consideration ... uh ... the
135 possibility to have a discount of this income to, to develop our
136 links in the future and
- 137 S: uhuh
- 138 B: ... uh ... there is one more consideration ... uh ... we are ... uh ...
139 very known ... uh ... at national and international level. Certainly
140 you, you know that there are ... uh ... uh ... on purchase per
141 (*inaudible*) and I (*clears throat*) I have spoken in the past ... uh ...
142 always well about your cars ...
- 143 S: Thank you very much ..
- 144 B: and I want, I want, I want ... uh ... you are not to think that we are
145 Italian and this is a little, this is a little ... uh ... Mafia speech
146 (*laughs*), but ... uh ... we are, we, we want to, to explain to my
147 colleagues of our companies, Italian companies that we, we had a
148 very good treatment from from your co ... from your company,
- 149 and ... uh ... if you agree I have a proposal to try to, to, to find an
150 accommodation for this kind of problem
- 151 S: uhuh
- 152 B: ... (*inaudible*) ... if you agree ... uh ... uh ... uhm ... I hope ... uh ...
153 that we ... uh ... can pay ... uh ... only one item ... some items of
154 this income, in particular ... uh ... I am thinking about ... uhm... uh
155 ... we want to pay, we want to pay, we propose to pay, we
156 propose to pay to you ... uhm ... the payment of the labour, the
157 payment of the (*inaudible*), the payment of the travel, the
158 payment of the adminis, adminis, administration fees ..
- 159 S: uhuh
- 160 B: ...and ... uh ... we ask, we ask ...uh ... uh ... to you to don't pay ...
161 uh ... the parts from your machine ..
- 162 S: I understand ..
- 163 B: from your machine, the parts from your machine ..
- 164 S: I understand ..
- 165 B: ... then to reduce ... uh ... the invoice of ... 6,950 pounds
- 166 S: uhuh
- 167 B: if you agree ... on the, or in alternative ... uh ... to share some ...
168 uh ... some costs
- 169 S: uhuh
- 170 B: do you have some proposal about this, I am very ..
- 171 S: yes, yes ... I think ... uh ... obviously, our position on this must ...
172 uh ... be taken as you said, must be taken within the perspective
173 of ... uh ... longer term relationship
- 174 B: yes
- 175 S: between our companies, and I'm very happy to, to hear that ... uh
176 ... overall ... uhm ... that, that (*laughs*) things are going well and
177 you, and ... uh ... you know, you are satisfied with our products.
178 Uhm ... I wonder if perhaps you could ... uhm ... take into account
179 the fact that ... two weeks after the end of the
180 warranty period ... uhm ... on ... uhm ...

SIMULATION 1A

181 on the face of it, it sounds bad, BUT ACTUALLY
 182 WHEN YOU LOOK AT IT MORE CLOSELY IT'S A PURE COINCIDENCE.
 183 IF IT HAPPENED TWO YEARS AFTER THE PERIOD OF WARRANTY
 184 HAD ENDED THEN IT WOULD BE SIMPLY A MATTER OF NORMAL
 185 MAINTENANCE and so on ... uhm ... and I think the ... uh ... you
 186 can, you can rest assured that the parts that have been put in now,
 187 and the work that's been done is of the highest quality ..
 188 B: yes..
 189 S: ...the highest quality, and that ... uh ... these, these machines now
 190 work very well ... uhm ... so perhaps ... uh ... I, I understand that
 191 you have a difficulty with your, your superior ..
 192 B: yes
 193 S: ... and ... that, if you can put it to him in those terms perhaps it
 194 doesn't sound quite so bad ... uhm ... two weeks, two years, it's
 195 unfortunate that it was so soon after the period of warranty, and I
 196 understand that you feel perhaps, a little cheated because if it'd
 197 been two weeks before ... then ... *(laughs)*
 198 B: *(laughs)* it would be better
 199 S: yes ... uhm ... yes ... the, the problem here is that ... uh ... well as
 200 you say legally your company is obliged to pay this ... and ... uhm
 201 ... we are entitled to seek payment ... uhm ... the, THE PROBLEM IS
 202 THAT THE PARTS ... UH ... ARE, ARE, IS, IS THE ONE I, IS THE ONE
 203 ITEM THAT WE CAN'T IN FACT TOUCH ... UHM ... THE ... IT WILL
 204 CAUSE TOO MUCH, TOO MANY CONSEQUENCES AND TOO MANY
 205 PROBLEMS FOR ME TO, TO GO BACK TO MY COMPANY, AND, AND
 206 SAY LOOK WE HAVE TO ALTER THE INVOICES
 207 B: uhuh
 208 S and so on ... so ... really ... I, I, I
 209 can't, I can't ... uhm ... reduce, I
 210 can't reduce it by touching that
 211 particular item ... uhm ... I wonder
 212 ... I, I can't touch that item

213 really at all
 214 B: yes, and the items? ..
 215 S: ... uhm, not really
 216 B: not, not wonder, I wonder if ... uh ... all the parts are produced
 217 from your ..
 218 S: /no, no, well
 219 B: your factories
 220 S: no
 221 B: or ... because I wonder what's the
 222 S: no, the parts produced in, in, in other factories
 223 B: I see, uh ... we, we can, can we ... can we find one more item ...
 224 uh ... more simply touchable, reducible, like labour, or ... uh ... I
 225 know travel accommodation expenses ... uh ... uh ... are probably
 226 untouchable because it's the cost, but can we ... can we
 227 something ... can we do any, anything about, about the ... the
 228 labour, the labour cost?
 229 S: well ... *(clears throat)* labour ... uhm ... e, enters into the, the
 230 accounting of our company in, uh, in a, in ... in such a way that
 231 it's
 232 B: yes, yes
 233 S: it can't, it really can't be, I mean the ... IT, IT'S
 234 BUDGETED FOR, IT'S ACCOUNTED FOR ... UHM ... IT, IT, IT WOULD
 235 AFFECT TAX DECLARATIONS AND, UH, NATIONAL INSURANCE
 236 CONTRIBUTIONS AND ..
 237 B: yes
 238 S: I don't think, I don't think we can really
 239 touch that ... Uhm
 240 B: yes, I know, but ... uhm ... you can think is, that
 241 this voice, that this item could be
 242 interpreted like an ... uh ... a promotion
 243 or commercial activities ... uh ..
 244 *(both laughing)*

SIMULATION 1A

- 245 B: ... IS, IS, IS SIMPLY IS A PROBLEM OF ... UH ... IS A PROBLEM OF ...
 246 UH ... HOW TO INTERPRET IT ...
 247 S: uhuh
 248 B: UH ... THE KIND OF LABOUR THAT WE MADE
 249 S: uhuh
 250 B: ... UH ... IN ... UH ... OUR CASE
 251 S: uhuh
 252 B: BECAUSE THEY ARE, THEY ARE ... UH ... PEOPLE FROM THE ...
 253 PEOPLE FROM THE ... ASSISTANCE, FROM YOUR ASSISTANCE
 254 OFFICE ... AND ... UH ... I DON'T KNOW IF YOU HAVE THE, THE
 255 POSSIBILITY ... UH ... TO ... UH ... CHANGE ... UH ... UH ... THE WAY
 256 TO SEE ... THEIR ... THEIR ... UH ... THEIR, THEIR WORK ...
 257 S: uhuh ... uhuh
 258 B: IN OUR CASE, IN ANOTHER WAY, LIKE AN ASSISTANCE, AN ... UH ...
 259 A SPECIAL ASSISTANCE ... uh
 260 S: well, yes I see what you're, I think
 261 B: /(inaudible) ... is, is
 262 S: I see what you're
 263 B: clear
 264 S: /the problem is
 265 B: what I am saying
 266 S: THAT IT, IT'S ACTUALLY NOT PART OF OUR ... UHM ... AFTER SALES
 267 SERVICE, so ... simply on a, on a technical
 268 formal level I can't, I, I can't put it into
 269 that category I'm afraid
 270 S: uhuh
 271 B: ... uhm ... the ... we're, we're caught here you see, the warranty
 272 expired ..
 273 B: yes, yes
 274 S: and ... uhm ... a, and this is not part of our after sales service ...
 275 uhm ... uh .. repairs of
 276 B: /could be
- 277 S: this nature
 278 B: a special maintenance, or ... uh ... or some special ...work about
 279 your product to check the
 280 S: uhuh
 281 B to check the, the, the, the product during ... uh ... during ...
 282 uh ... during the, the use of this product
 283 S: uhuh
 284 B: I don't know if, if you can think that ... uh ... this kind of
 285 intervention is an intervention of a post sale ... uh ... in the sense,
 286 not of the word but in the sense to, to check ... uh ... what kind of
 287 problems could happen ... uh ... to a product of yours
 288 S: uhuh
 289 B: and ... uh ... it's clear, to, to have a, one different point of view of
 290 this ... uh... this intervention, because ... uh ... probably you have
 291 not ... uh ... other cases ... but in the future ... it could be
 292 happen that other customers and we ... uh
 293 ... and you, you, you have the possibility
 294 ... uh ... to study a special case
 295 S: uhuh
 296 B: that happened
 297 S: uhuh
 298 B: and ... uh ... and ... uh ... to ... uh ...
 299 to study if there are possibilities to ...
 300 uh ... uh ... modify ... some parts... TO AVOID
 301 THAT IN THE FUTURE THE SAME KIND OF ACCIDENT COULD
 302 HAPPEN
 303 S: uh, well I'm
 304 B: /and
 305 S: very
 306 B: ... uh ... what I am trying to say to you is ... uh ... (sighs) ... uhm ...
 307 if... uh... this kind of labour is an, a labour not only
 308 of simple ... uh ... repairing or maintenance but to study why

SIMULATION 1A

- 309 ... uh ... the, the machine ... uh ... has
 310 broken
 311 S: uh
 312 B: and I know, BECAUSE PROBABLY THERE IS A ... I DON'T KNOW IF
 313 THERE ARE ... UH ... PROJECTION PROBLEMS, OR, OR IF, IS VERY
 314 STRANGE
 315 S: uhuh
 316 B: IF IT'S REAL, IT'S A VERY STRANGE CASE
 317 S: uhuh
 318 B: IT'S NOT, NOT A NORMAL CASE. YOU SAID TO ME ... UH .. THAT IT'S
 319 A VERY STRANGE CASE
 320 S: yes and *(inaudible)*
 321 B: /AND, AND, VERY STRANGE CASE. IT'S PROBABLY, THIS KIND, IT
 322 IS, IT'S AN OBJECT OF STUDY FOR YOU
 323 S: uhuh
 324 B: ... BECAUSE A STRANGE CASE COULD BE A STRANGE CASE IN ONE
 325 TIME
 326 S: uhuh
 327 B: BUT THE SECOND TIME AND THE THIRD TIME ... *(LAUGHS)* IS NOT A
 328 STRANGE CASE
 329 S: I would hope not, yea. I'M AFRAID I'M, I'M NOT AN ENGINEER
 330 B: yes
 331 S: so I don't know
 332 B: /then ask
 333 S: the, I DON'T KNOW THE TECHNICAL DETAILS OF WHAT HAPPENED
 334 HERE ... uhm ... but I do, I do know ... uh ... from my position in
 335 the company that this is a very, very unusual ... uh ... case ... and
 336 ... uhm ... I mean it's, it's, it, I think it's the first time it's
 337 happened ... in, in, in many many years ... so ... uh ... it's very
 338 unfortunate that it has
 339 B: /we are
 340 S: happened
- 341 B: *(laughs)* ... we are, huh? *(laughs)*
 342 S: however ... uh, uh ... these things, these things do happen from
 343 time to time ... uh ... uhm ... I think every company perhaps has to
 344 ... a, a ... has to cope with them when they happen
 345 S: /*(inaudible)*
 346 B: ... on the other hand I do appreciate that ... uh ... we both want to
 347 maintain good relationships
 348 B: uh
 349 S: between our companies ... uhm ...
 350 B: can we share 50% of this voice?
 351 S: sorry?
 352 B: can we share the voice labour?
 353 S: uhuh
 354 B: we pay the 15, the 50% of this voice and you pay
 355 S: ah
 356 B: the that ... is it, is it possible for ... if you want to, to, to call your
 357 ... uh ... superiors ... uh ... this is the telephone line
 358 S: thank you *(laughs)* ..
 359 B: *(laughs)* I can, I can leave the room
 360 S: no, no ... uh ... *(both laugh)* ... I might, I might have to ok this,
 361 but let me consider what's involved here, reducing ..
 362 B: 50% is 2,000 and 400
 363 S: yes ... uh ...
 364 B: of reduction
 365 S: uhuh
 366 B: *(inaudible)* 400 and less this ... this means ...
 367 uh ... a base of 10,397 ... uh ... it's a 8,000
 368 S: uh
 369 B: it's not really ... it's less than it's about 20%, less than
 370 20%
 371 S: uh
 372 *(simultaneous start of turn)*

SIMULATION 1A

373 S: I
374 B: /you gain, you gain, you gain, you gain ... a ... customer (*laughs*),
375 you gain a customer (*laughs*) ... uh ..
376 S: uhuh
377 B: a satisfied customer (*laughs*)
378 S: very well
379 B: /you agree?
380 S: I think I can agree to that
381 B: you can agree? ok, ok, and ... uh ... uh ... can we pay this ... uh ...
382 uh ... invoice in .. uh ... two times?
383 S: yes
384 B: half a moment and one half, one half after 90 days?
385 S: yes,
386 B: is it possible?
387 S: there is no problem with that, no problem, uhuh
388 B: ok ... ok ... and uh
389 S: ok, well
390 B: ok
391 S: take that as concluded
392 B: we are, we are, we are ..
393 S: we agree
394 B: we are very happy
(both laugh)
(both switch off their tape recorders)

SIMULATION 1B

SIMULATION 1B - (time 17' 19")

- 1 B: just a moment ... record ... record ..
2
3 S: ok ... how are you?
4 B: fine
5 S: fine
6 B: nice to see you again ..
7 *(both laugh)*
8 *(long pause with both producing sighs typical of 'getting down to*
9 *work')*
10 S: I *(inaudible)* meeting you because ... uh ... I asked to meeting you
11 B: uhuh
12 S: because I know you are interested in buy ... again
13 B: yes
14 S: textile products from us and ... uh ...
15 B: oh yes
16 S: /you are, you are
17 B: we (inaudible)
18 S: you are interested interested in ... what, in which quantity are you
19 interested in buying our ... what's the problem?
20 B: well, we, we certainly ... uh ... we
21 certainly ... uhm ... are interested in
22 continuing our relationship with you
23 S: uhuh
24 B: and buying, buying ... uh ... products
25 S: */(inaudible)*
26 B: BECAUSE WE'RE, WE ARE VERY SATISFIED WITH THE QUALITY
27 AND WE ALWAYS HAVE BEEN, our problem is that we,
28 THE MARKET IS ... UH ... IS ... FLUCTUATING AT THE MOMENT AND
29 ... uhm ... we don't anticipate that ... uh ...
30 we'll be going up in our purchases in fact
- 31 we are more likely to be going, going down
32 in the quantity that we buy ... uhm ... regrettably,
33 I'm afraid
34 S: yes
35 B: ... this is the case
36 S: it's a ... it's a long term ... uh ... it's
37 a long term ... tenden, tendenc, trend
38 BECAUSE ... UH ... I KNOW THAT IN THREE YEARS ... UH ... YOU
39 HAVE DECREASED ..
40 B: yes
41 S: ... PURCHASES FROM OUR COMPANIES
42 B: yes
43 S: AND ... FROM 80,000 TO 70,000 THIS IS
44 B: uhuh
45 S: THE FIGURES THAT HAVE FROM MY
46 B: uhuh, yes
47 S: OFFICES AND IT'S A, wha, what's the quantity that you are going
48 to, to buy this year?
49 B: well, now ... uh ... uh ... this is August ... uh
50 S: August
51 B: ... this is July, August, yea? So far we have bought ... uhm ... I
52 think about 40,000 metres from you between, from January up to
53 July
54 S: up to July
55 B: uhm ... and I, I would anticipate ... uh ... I would anticipate that
56 this we, we'll probably reach about 65 ..
57 S 65
58 B: thousand ... for this year ... for the 1995, yes ... and for the, for,
59 for next year I don't think it'll be that high
60 S: ok ... ok ... and ... uh ... but ... uh ... we, we had
61 some pro, we, we had some problem ... uh ...
62 in ... uh ... our ... uh ... raw materials

- 63 purchasing
64 B: uhuh
65 S: BECAUSE ... UH ... UH ... THE NATIONAL MARKET OF THE COTTON
66 ... UH ... IS ... UH ... INCREASING THE PRICE
67 B: uhuh
68 S: this is, this is the reason why .. uh .. we had, we must
69 changed, we had to change our price list
70 B: uhuh, I see
71 S: BECAUSE ... UH ... BECAUSE THE, THE PRODUCTION IS LOWER AND
72 LOWER
73 B: uhuh
74 S: AND IS REDUCING
75 B: uhuh
76 S: AND THE PRICE, IS VERY HIGH NOW
77 B: uhuh ... I
78 S: AND THIS IS
79 B: /thought (inaudible)
80 S: THIS IS THE, THE, THE RAW MATERIAL IS ... UH ... THE BASIS OF
81 OUR PRODUCT
82 B: uhuh
83 S: AND ... UH ... WE HAD TO, TO CHANGE
84 B: uhuh
85 S: IN A CERTAIN QUANTITY OUR PRICE LIST
86 B: uhuh, uhuh
87 S: and, and ... uh ... we cannot use the same
88 price that we ... uh ... have
89 B: /which you've had up to now
90 S: gave to you the 1a, last year
91 B: yes, uhuh
92 S: and ... uh ... is not a very big increase
93 B: uhuh
94 S: but there is a certain increase ... but the problem is that our new
95 policy
96 B: uhuh
97 S: is ... uh ... to give ... uh ... a discount ... uh ... increasingly with the
98 quantity that you are buying
99 B: uhuh
100 S: our new price list is for purchases up to ... uh ... 60,000 to
101 60,000 uh, uh ..
102 B: metres
103 S: metres ... metres ... uh ... our price is ... uh ... 55 p
104 B: 55p, 55p
105 S: yes for each metre over the 60
106 B: uhuh
107 S: thousand ... the price decreases at, 53p per metres
108 B: uhuh
109 S: from 61 to 80
110 B: yes, I see
111 S: thousand metres
112 B: yes
113 S: and from 80,000 metres up to 100,000 our price is the same of the
114 last year, 50p
115 B: I see
116 S: I suggest to you, BECAUSE THE PROBLEM IS THAT WE CAN
117 HAVE BETTER CONDITIONS OF PAYMENT, BETTER CONDITIONS OF
118 PRICE FROM OUR ... UH ... IN PURCHASING OUR COTTON IF WE ARE
119 PURCHASING A ... A VERY BIG QUANTITY
120 B: uhuh
121 S: IT'S OBVIOUSLY and I suggest to you if is
122 possible, to make a purchase
123 B: uhuh
124 S: thinking previously for the next year
125 B: uhuh
126 S: because if you are ... uh ... acquired an ... a larger quantity

SIMULATION 1B

- 127 B: uhuh
- 128 S: and, you, you, you create a stock for next year
- 129 B: uhuh
- 130 S: you can have a better price
- 131 B: uhuh
- 132 S: surely 50,000. We can use the same price of the last year
- 133 B: uhuh yes
- 134 S: /probably your needs
- 135 B: uhuh
- 136 S: now are only for ... you said to need 60, you said to need 60,
- 137 60,000, 40,000 ... uh ... from January to July and ... uh ... 65,000
- 138 ... uh ... totally this year
- 139 B: yes, but
- 140 S: /have, have you considered that ... uh ... uh ... buying, for example
- 141 100,000 for example you can have, you can have ... uh ... a very
- 142 good discount?
- 143 B: yes. well, that's, that's certainly ... uhm ... an attractive discount,
- 144 the problem is my, my, my company can't ... uhm
- 145 ..
- 146 S: /invest
- 147 B: release that ... uh ... quantity of ... uh
- 148 ... funds to invest at this particular time
- 149 S: uhuh
- 150 B: uhm ... (*clears throat*) ... uhm ... uh, I would ... uh ... yes, you see
- 151 OUR PROBLEM IS THAT WE, WE, WE HAVE A SLIGHTLY
- 152 FLUCTUATING MARKET
- 153 S: uhuh
- 154 B: ... uhm ... AND ... UH ... AT THE MOMENT IT DOESN'T, IT DOESN'T
- 155 LOOK VERY ... UH ... PROMISING IN CERTAIN WAYS THOUGH IN
- 156 OTHER WAYS WE'RE HOPEFUL
- 157 S: yea
- 158 B: uhm ... (*clears throat*) ... what about ... uhm ...
- 159 supposing we talk in terms of ... uh ...
- 160 something like ... uhm something
- 161 like a, a price of ... uh ... 55
- 162 S: yea
- 163 B: yes, but for, not for next year but for the
- 164 year after, in other words an,
- 165 S: yes
- 166 B: an increase like this in the price
- 167 S: uhuh
- 168 B: BECAUSE I THINK WHAT, OUR PROBLEM IS THE BUDGET THAT WE
- 169 HAVE A CERTAIN BUDGET FOR THIS YEAR AND ... UH ... AN
- 170 APPROXIMATE BUDGET FOR NEXT YEAR ... UHM
- 171 S: do you want to foresee for two years?
- 172 B: uhm ... yes, up to 97
- 173 S: up to 97?
- 174 B: yes, uhuh ... and ... uhm ... (*clears throat*) ... uh ... but ... uh ...
- 175 not I'm afraid for a guaranteed ... uh ... figure of 60 but only for
- 176 50 I think
- 177 S: this year ... this ... you are thinking that this year 60,000 and the
- 178 next year ... next, 50,000?
- 179 B: I think so ... uh ... BECAUSE ... UH ... IT MAY BE BETTER BUT
- 180 AS FAR AS GUARANTEES GO ... UH ... FOR THE FUTURE
- 181 S: but for the 95 I repeat ... uh ... BECAUSE I WANT TO CHACK
- 182 IF I WELL UNDERSTOOD
- 183 B: yes, ok
- 184 S: this year ... uh ... your commitment in purchasing us, in our
- 185 products, is ... uh ... 60 60,000 millions and next year you are
- 186 going to purchase from us ... uh ... 50,000, totally 110,000 metres
- 187 B: 50,000
- 188 S: this is your proposal
- 189 B: and then 97 ... uh ... we'll, we'll maintain that 50
- 190 S: 50

SIMULATION 1B

191 B: ok
192 S: /that's 160.00
193 B: because that's
194 S: in three years
195 B: that's the degree of risk that we are prepared to, that we are
196 prepared to take
197 S: ok
198 B: uhm ... now as far as the price goes ... uhm ... I, I would like to
199 suggest that SINCE WE'VE BEEN BUYING FROM YOU ..
200 S: uhuh
201 B: FOR ... UH ... HALF OF THIS YEAR ALREADY, HALF OF 95 AT A
202 PRICE OF 50
203 S: for this next year?
204 B: FOR THIS, FOR THIS COMING
205 S: the next six months, yes
206 B: right? AND WE'VE ALREADY BUDGETED FOR THIS ... UH ... PRICE,
207 I would like to suggest that we maintain
208 that price of 50 ... uh ... up to December
209 ... uh
210 S: ok, 50 up to December
211 B: yea
212 S: of this year. And the next year?
213 B: next year ... uh ... we'll (*clears throat*) ... we'll raise the price up
214 to ... uh ... 52 and then in 97 up to 55
215 S: 52 and 55
216 B: yes
217 S: for the quantity
218 B: for 50,000 and 50,000 metres
219 S: (*inaudible*) for 50 and 55 ... ok ... but ... uhm ... but IT'S A VERY ...
220 THERE IS A BIG DISTANCE (*LAUGHS*) BETWEEN OUR, OUR PRICE
221 NOW AND ... UH ... AND THE PRICE THAT YOU ARE PROPOSING ...
222 uh ... we have to find ... uhm ... we have a

223 point of meet between BECAUSE ... UH ... UH ...
224 CERTAINLY BECAUSE THE, THE DIFFERENCE IS OUR PRICE NOW
225 FOR THE, FOR THE COTTON AND FOR 60,000 METERS IS 60, 60P
226 AND YOU ARE PROPOSING TO ME 50P, THERE IS A, THERE IS A BIG
227 DIFFERENCE. I, can I suggest to you
228 B: uhuh
229 S: ... to use for the next 6 months
230 B: uhuh
231 S: up to the end of this year
232 B: uhuh
233 S: to go directly to 52p and to maintain the same price for the next
234 year
235 B: 52, 52
236 S: yes, 52 and 52. To maintain up to ... now you are, you are paying
237 50 for the last, for the last, the last... ... time that
238 B: uhuh
239 S: we sent
240 B: uhuh
241 S: to you cut our product the price was 50
242 B: uhuh
243 S: now ... uh ... my proposal is, to increase to 52
244 B: uhuh
245 S: for the next year, for the next order
246 B: yes
247 S: up to ... immediately, from now up to the ... uh ... 31, to the end of
248 the
249 B: the end of this year, right
250 B: this year and then, then to maintain this price ..
251 B: uhuh
252 S: next year
253 B: uhuh
254 S: and ... uh ... we ... eventually ... I can reduce one point, the

SIMULATION 1B

- 255 third year, from 55 to 54
 256 B: 54
 257 S: 52 now, 52
 258 B: uhuh
 259 S: next year, 54 the third year
 260 B: uhuh ... uhm
 261 S: it's a good proposal
 262 B: yes ... uhm ..
 263 S: BECAUSE ... ME, I AM GOING TO TAKE A RISK, A BIG RISK BECAUSE
 264 THE, THE
 265 B: yes
 266 S: COTTON MARKET NOW IS INCREASING PROBABLY I AM GOING TO
 267 LOOSE WITH THIS, BUT ... UH ... YOU HAVE A VERY, A VERY, A
 268 VERY LITTLE increase of price
 269 B: uhuh
 270 S: BUT YOU, YOU WILL BE SURE IN THE FUTURE THAT YOU ARE
 271 GOING TO HAVE
 272 B: uhuh
 273 S: THE SAME PRICE FOR THREE YEARS. IT'S A, IT'S A, I THINK IT'S A
 274 SOMETHING THAT YOU HAVE TO
 275 B: uhuh
 276 S: CONSIDER IN YOUR
 277 B: yes
 278 S: MARKETING PLAN, IN YOUR PRODUCTION PLAN
 279 B: yes, yes, uhm ... the, there's only one problem and that is that for
 280 this year, for this year at this point in time it creates a little
 281 difficulty to go up so much
 282 S: from 50 to 52?
 283 H what about 51, 53?
 284 S: 51, 53?
 285 B: uhuh ... uhm ... uhm ..
 286 S: ok
 287 B: I'm prepared to go up to
 288 S: yes
 289 B: huh?
 290 S: yes, 51 to 53
 291 B: and then 54 and the ..
 292 S: ok
 293 B: 97
 294 S: ok ... let me, let me think ... one moment about
 295 B: sure
 296 S: the quantity, the remaining quantity is ... uh ... 25,000 and
 297 then, next year (laughs) ... yes, it's, it's very, very hard, very
 298 hard, very hard this is your last offer?
 299 B: well, as far as this year, this year goes
 300 S: for this year
 301 B: yes
 302 S: yes
 303 B: uhm... this, this is really
 304 S: /my proposal, my proposal was ... uh ... a good proposal in terms
 305 of price
 306 B: uhuh
 307 S: but ... uh ... uh ... and ... uh ... I, I took, a risk
 308 B: uhuh
 309 S: but ... uh ... specially for the third year
 310 B: uhuh
 311 S: but specially for the third year I have to maintain 55 I can agree
 312 with you ... to reduce from 52 to 51...uh ... ok, but, but, but it's
 313 very difficult to foresee now
 314 B: uhuh
 315 S: what's going to happen ... uh ... two years after (laughs)
 316 B: uhuh
 317 S: this is the problem
 318 B: uhuh

SIMULATION 1B

- 319 S: and ... uh ... to reduce in 54 ... uh ... it's a, it's a very, it's very
320 hard
321 B: what's
322 S: it's a very hard decision to take and ... uh ... can you, can you
323 agree about this ca ..50, ok 51 now,
324 B: uhuh
325 S: 53 next year
326 B: uhuh
327 S: but to maintain 55 in the third year? It's a problem, for you?
328 B: no, we can do that
329 S: you can do?
330 B: ok
331 S: ... ok. I hope that the price (*laughs*), the raw material goes up,
332 goes down
333 B: yes (*laughs*)
334 both laughing
335 B: I hope our market goes up
336 (*both laughing*)
337 S: alright
(tape switched off)

SIMULATION 2A

SIMULATION 2A - (time 30' 20")

- 1 B: ok, pleased to meet you ... uh ...
- 2 S: and you ... uh ... *(clears throat)* ... well now, we've got to, try to
- 3 resolve this ... question ... uh ... I gather that your company is
- 4 unhappy about ... uhm ... about paying this invoice
- 5 B: yes *(laughs)* we are not so happy to, to pay the invoice, but ... uh
- 6 ... is not just for the invoice. As you know we ... we bought ... uh
- 7 ... the machine, that machine ..
- 8 S: yes
- 9 B: one year ...uh ... ago, and ... uh ... we has some problem with this
- 10 machine
- 11 S: yes
- 12 B: as you know we, we bought the machine to ... uh ... to test your
- 13 company ..
- 14 S: yes ..
- 15 B: and the problem is just the test ..
- 16 S: I see ... did you have any problems before the expiry of the,
- 17 warranty period?
- 18 B: no
- 19 S: no
- 20 B: no
- 21 S: uhuh ... ok ... uhm ... so ... the, the, the problem is that the
- 22 warranty period had expired ..
- 23 B: yes
- 24 S: when ... uh ... the breakdowns occurred
- 25 B: yes ... yes, is not the only problem BECAUSE WE, OF
- 26 COURSE, WE, WE HAVE TO TEST THE MACHINE AND ... UH ... IF THE
- 27 MACHINE ... UH ... WAS PERFECT FOR, FOR THE LONG PERIOD WE
- 28 HAVE INTENTION TO BUY MORE, MACHINES. As you know we, we
- 29 buy normally 50 machine every year
- 30 S: uh
- 31 R and we decided this is, a, also it's a, a personal decision to, to buy
- 32 a, a foreign machine
- 33 S: uh
- 34 B: from a foreign company
- 35 S: uh
- 36 B: to, to test it the machine ... uhm ... was perfect for, for the that use
- 37 normally we do
- 38 S: uh
- 39 B: and the problem is this, we ... uh ... unfortunately after one year,
- 40 but is not the, the, the real problem BECAUSE
- 41 ... UH ... IF ... UH ... THE MACHINE ... UH ... UH ... WAS BROKEN ...
- 42 UH ... UNTIL ... UH ... UH ... ONE YEAR AND HALF ... THE PROBLEM
- 43 WAS THE SAME
- 44 S: uhuh, uhuh
- 45 B uh ... we want ... a ... machine strong, and ... uh ... also we, in this
- 46 case, unfortunately for your company, we ... uh ... try to, to ... to
- 47 see if how much was the cost for the repairs parts, how much was
- 48 the cost for all the, the, the ... the problem for the work, for, for
- 49 the travel accommodation expenses, because you are a stranger
- 50 company
- 51 S: uhuh
- 52 B: and there are a lot of problem for this
- 53 S: uhuh
- 54 B: BECAUSE IF, IF WE BOUGHT A, A MACHINE FORM, FROM AN
- 55 ITALIAN COMPANY WE DON'T HAVE TO PAY THE, OF COURSE THE,
- 56 THE ACCOMMODATION EXPENSES AND THE CARRIAGE FOR THE
- 57 PARTS AND .
- 58 S: uhuh
- 59 B A LOT OF THING
- 60 S: I see ... yes, well, that ...*(clears throat)* I think ... one thing ... uh
- 61 ... about the ... well, but ... if we can speak about the problem
- 62 of accommodation ... uh ... in a minute, but ... uh ... the

SIMULATION 2A

63 simple fact of ... uh ... of maintenance and
 64 repairs I think ... i, isn't that liable to
 65 be an expense almost in any situation
 66 B: uhuh
 67 S: I MEAN MACHINES DON'T GO ON FOR EVER
 68 B: yes
 69 S: THEY DO BREAK DOWN
 70 B: yes
 71 S: and, and so ... uh, uh ... I, I think it's
 72 normal that it's quite predictable that the
 73 company would, would have that in mind when
 74 they buy new machines, buy the new machines
 75 and budget also for a certain amount of, of,
 76 of maintenance ... uh ..
 77 B: yes
 78 S: ... IN THE FUTURE
 79 B: yes, yes, but normally we, we used to have a
 80 warranty for one year, for 2 year, for 3
 81 years ..
 82 S: uhuh
 83 B: why? BECAUSE ... UH ... IS VERY IMPORTANT THAT THE MACHINE
 84 WORKS FOR, A SHORT PERIOD WELL ..
 85 S: uhuh
 86 B: UH ... WHEN YOU BUY A CAR FOR EXAMPLE, AFTER ONE YEAR
 87 NORMALLY, THEY GIVE, THEY GIVE THE WARRANTY FOR ONE
 88 YEAR, NOW THEY GIVE THE WARRANTY FOR 3 YEARS . WHY?
 89 BECAUSE THE, THE PRODUCT, THE CAR, THE MACHINE, WORKS
 90 MORE BETTER, AND THEY ARE, SO THEY, THEY HAVE AN
 91 INSURANCE THAT THE, THE MACHINE GO FOR A SHORT PERIOD
 92 WELL, PERFECT, AFTER THIS PERIOD, THE MACHINE, COULD BE ...
 93 (LAUGHS) RUN OUT FOR, FOR SOME PROBLEM
 94 S: uhm

95 B: but, in, in this period I think one year,
 96 after one year is a sh, a very short period
 97 to have some problem
 98 S: uh ... still, I mean, this was the original agreement and ... uh
 99 B: yes
 100 S: uh ... uh ... the fact that, I don't think we can ... uh ... we can ... uh
 101 ... go back on the fact that this was what was agreed ... an, uh
 102 B: yes, yes
 103 S: inaudible
 104 B: but I think is, is not the ... the only problem is yes, now we have
 105 ... the problem for this machine, ~~ma~~ the problem for us
 106 is the, the company, not only the machine,
 107 S: yes
 108 B: BECAUSE IN THIS CASE THE MACHINE, AFTER ONE YEAR, but we
 109 know about the contract was one year warranty
 110 S: uhuh
 111 B: BUT THIS IS, FOR US IS NOT SO NORMAL THAT AFTER ONE YEAR
 112 WE HAVE TO PAY FOR EXAMPLE 10,000 OF ... UH ... POUNDS,
 113 WHEN THE MACHINE COSTS 60,000 POUNDS, so i, i, is very strange
 114 that after one year (*laughs*) you have to pay, uh, uh around 15
 115 percent of the cost of the machine ... just for, for one repair ..
 116 S: ... yea ... uhm ... (*clears throat*) ... I ... I think ... uh ... uh ... if
 117 we, if we can limit the discussion to, to,
 118 to, this ... uh ... the pro, the problem
 119 of this invoice, BECAUSE I'M AFRAID I'M NOT
 120 EMPOWERED TO, TO CONSIDER FUTURE SALES, OR, YOU KNOW ...
 121 QUESTIONS OF THE FUTURE ...
 122 B: yea
 123 S: uhm ... I'd be, I'd be happy if we could limit the, our ...
 124 B: /yea ... ok ... no problem
 125 S: inaudible
 126 B: but just, I want just to, to have ... uh ... the problem in, in the

SIMULATION 2A

- 127 S: /the perspective
- 128 B: warranty, yea, in the perspective
- 129 S: yes, I see
- 130 B: because in this case of course we, we can discuss about after one
- 131 year the 15 percent in cost of the, the total amount of the machine
- 132 S: uhm ... uhm
- 133 B: is ... uh ... is just for one repair, we, we can discuss about the fact
- 134 that you are a, a foreign company, so you have more expenses
- 135 about the travel, accommodation, but this is, is not
- 136 good, is not good for your company BECAUSE IS, IS
- 137 A COST THAT WE HAVE TO CONSIDER IN ... UH ... COMPARISON
- 138 WITH OTHER ITALIAN COMPANIES AND THIS IS NOT VERY GOOD
- 139 FOR YOU
- 140 S: uhuh ... I, I, I think the quality of our, the
- 141 quality of our machines though ... uhm ...
- 142 has something to be said for it ... uh ... uh ... WE
- 143 HAVE A, WE HAVE A REPUTATION AND ... UHM ... UH ... THIS KIND
- 144 OF THING DOESN'T HAPPEN VERY OFTEN
- 145 B: uh ... *(laughs)* we hope so
- 146 S: DOESN'T HAPPEN VERY OFTEN ... uhm ... it's unfortunate that it's
- 147 happened in your case
- 148 B: uh
- 149 S: I think ... uhm ... can we ... perhaps ... uh ... can we perhaps
- 150 look at ... uhm ... ways in which you could
- 151 meet this, this invoice BECAUSE I FEEL THAT THE,
- 152 THE INVOICE MUST BE MET, IT'S
- 153 B: uh
- 154 S: LEGALLY, LEGALLY THERE'S NO
- 155 B: yea
- 156 S: WAY ROUND IT
- 157 B: yea
- 158 S: uh ... AND ... UH ... UH ... I FEEL THAT, YOU KNOW, IN THAT, IN
- 159 THAT SENSE ... UHM ... THE SITUATION IS PRETTY CUT AND DRY ...
- 160 uhm ... can we look at ways in which you could
- 161 begin to meet this invoice?
- 162 B: yes, ok ... uh ... yes, we can ... uh ... of course ... is ... uh ... as, as
- 163 you know, this is a problem for, for the, the parts, for the
- 164 carriage, for the ...the, there are a lot of amounts that we can
- 165 discuss .. uh ... on, but I think is better that you
- 166 give me your feeling about this ... uh ...
- 167 this cost, how, how, how do you, do you feel
- 168 if is right or not ... not legally, BECAUSE I
- 169 KNOW LEGALLY YOU ARE RIGHT
- 170 S: uhuh
- 171 B: but, i, is not for, for this amount, of course it's for the prospective
- 172 of our ... uh ... uh ... companies ... uh ...
- 173 S: sorry, let's see if I understand you rightly ... uhm ... THE PARTS ...
- 174 UH ... THE FIRST ITEM, THAT'S WHAT THEY COST
- 175 B: uhuh
- 176 S: ...uhm ... so there's, there's no question of
- 177 that ... item being not correct
- 178 B: uhuh
- 179 S: it, it is that, that's the actual figure of
- 180 B: uhuh
- 181 S: the parts, carriage, the same, fuel the same ... LABOUR,
- 182 THAT'S ... UH ... THAT'S ACCORDING TO THE RATES THAT WE ..
- 183 B: uhuh
- 184 S: THAT WE ARE OBLIGED TO MEET and so ... uh ... that
- 185 figure is in fact what it cost
- 186 B: uhuh
- 187 S: uhm ... travel and accommodation is all perfectly well accounted
- 188 for, we have the receipts and so on
- 189 B: yea
- 190 S: so there's

SIMULATION 2A

- 191 B: /WE BOOKED FOR, FOR THE
 192 S: no, no ... no overcharging
 193 B: FOR, FOR THE ACCOMMODATION
 194 S: /so you know ... uhuh
 195 B: so we know exactly the cost of the
 196 accommodation
 197 S: yes, AND ... UHM ... ADMINISTRATION, IS A RELATIVELY SMALL
 198 FIGURE ... uhm ... so I feel that this figure of
 199 10,300 odd, 400 odd is, is, uh, an accurate
 200 figure
 201 B: uhuh
 202 S: there's no point at which it's not
 203 defendable, defensible
 204 B: yes
 205 S: ... uhm ... I, I understand that perhaps it's, it's a large amount
 206 to meet on a budget that ... you weren't expecting
 207 B: yes
 208 S: perhaps we can look at some ways of scaling ..
 209 B: uhuh
 210 S: ... the, the payment over time ...uh ... that would be acceptable to
 211 us
 212 B: yes but I don't think is the right ... uh ...
 213 way to, to solve the problem ... BECAUSE IS, IS NOT
 214 THE, THE FINANCIAL PROBLEM, IT'S A COST, IT'S, IT'S A STRANGE
 215 COST FOR OUR COMPANY, so I think it's better for
 216 your organisation, for your company to ...
 217 to try to, to, to exclude some item from
 218 this invoice
 219 S: uh ... uhm ... what you are saying is you want us to, to kind of
 220 ... uh ... meet you halfway on, on some, on one of these items
 221 B: yes, I, I think is better for your company
 222 that give ... uh ... a feeling that you ...
 223 uh ... are ... uh ... uh ... , you, you
 224 agree with, with our, with our feeling about
 225 this, this inv, this invoice. THIS IS NOT VERY ...
 226 UH ... QUALITY THAT AFTER ONE YEAR SOMETHING HAPPEN AND
 227 ... UH ... IT'S, IT'S THE EXAMPLE OF THE ROLLS ROYCE. WHEN YOU
 228 BUY A ROLLS ROYCE YOU KNOW EXACTLY, IS AN ENGLISH
 229 PRODUCT ..
 230 S: alright (*laughs*)
 231 B: YOU KNOW THAT, THAT IN ANY CASE THE ROLLS ROYCE WAS NOT
 232 RUN OUT OR BROKEN, THEY REPAIR THE ROLLS ROYCE AND GIVE
 233 ANY AMOUNT (*laughs*) and ...
 234 S: /I'm afraid we don't, don't claim to be Rolls Royce (*laughs*)
 235 B: yes, I know but ... uh ... before you, you speak about the quality
 236 of the product and I think is very important that if the quality is
 237 the first, is the very important ... uh ... image
 238 S: uhuh
 239 B: that our, your company give to the, to the other company, to the
 240 buyer company, I think is very important to defend the quality,
 241 and if something happen of course, and in this case is very
 242 important that the company give the feeling that, yes, something,
 243 sometimes is not very good, something go in the wrong way
 244 S: uhuh
 245 B: but are happy when this happen and we give .. uh .. a
 246 demonstration that we are good quality and give not this amount
 247 but ... uh
 248 S: I see what you are saying, yes ... uhm ... from our point of view ...
 249 uh ... the, the problem is this, I mean, as far as the future goes ...
 250 uhm ... we might well for example ... uh ... consider longer
 251 warranty periods in the future
 252 B: uhuh, yes
 253 S: that is a thing that we could ..
 254 B: yes

SIMULATION 2A

255 S: uhm ... on which I can make no promises, of course,
 256 B: yea
 257 S: but it is a way out for the future ... uhm ... and I must repeat that
 258 ... uhm ... uh ... this is rather an unusual case
 259 B: uhuh
 260 S: our, our product don't usually break down
 261 B: yes
 262 S: two weeks after the warranty runs out
 263 B: yea
 264 S: uhm ... uh ... and ... uh ... however, we are faced with this, with
 265 this invoice
 266 B: uhuh
 267 S: and ... uh ... I, I really feel that, that whatever we decide about ...
 268 uh ... future sales and relationships between our companies ...
 269 uhm ... we, we should make some sort of ... uh ... attempt to, to
 270 sort this problem out
 271 B: yea
 272 S: on the basis as it stands
 273 B: well, I, I think is the, for me is the best way
 274 to solve the problem is to try to not
 275 consider for example the labour ... BECAUSE ... UH
 276 ... I KNOW SOMETHING SOMETIMES GO NOTHING ... UH ... IN THE,
 277 IN THE RIGHT WAY, but you have a ... uh ... a customer assistance
 278 for example and you want to ... uh ... try to, to invest on, on the,
 279 the company of your client, so in this case you can consider the
 280 labour, the labour for, for your company as a sort of investment,
 281 we agree about the parts, we agree about the carriage for example
 282 because .. uh ... we know that (*laughs*) we are in a distance, is a
 283 long way from, from here and ... uh ... (*inaudible*) but we, we
 284 have ... uh ... we try to, to, to change the amount in this way
 285 S: uh ... well ... what you are proposing is to virtually half the ... to
 286 cut this in half ... uhm ..

287 B: yes, I THINK I, IS, THE, IS A SORT OF ... UH ... UH ... ADMITTANCE
 288 OF RESPONSIBILITY OF, OF SOMETHINGS GONE WRONG, AND ... UH
 289 ... I, IT'S A WAY TO SAY OK WE HAVE A GOOD QUALITY BUT WE
 290 THINK THAT OUR CUSTOMERS ARE VERY SATISFIED WHEN, WHEN
 291 WE GIVE THE, THE OPPORTUNITY TO, TO TEST HOW ... UH ... WE,
 292 WE ... UH ... WE USE TO. TO, TO TREAT THE CUSTOMER
 293 S: ... uhm ... well I ... I don't think that we could ...
 294 uh ... I don't think that we could approach
 295 any such question in those terms BECAUSE ... UH ...
 296 I DON'T THINK IT'S REALLY TRUE THAT ... UH ... THE QUALITY OF
 297 THE ... OF THE, OF THE PRODUCT IS, OF OUR PRODUCT IS INFERIOR
 298 ... uhm ... these labour costs are, I'm afraid, are, are, I would
 299 say that ... uh ... we, we can't really touch those ... uhm ... you
 300 see ... but, if you think, if you think that ... uh ... uh ... our labour
 301 costs are a kind of investment for our future
 302 B: uhuh
 303 S: ... uh ... I'm afraid that's really a matter for us to decide within
 304 our own ..
 305 B: uhuh
 306 S: company
 307
 308 S: I don't want this to come to the point where
 309 we, where we break off completely
 310 relationships with the, with CCL BECAUSE ... UH ...
 311 PERSONALLY I FEEL THAT WE COULD HAVE A GOOD WORKING
 312 RELATIONSHIP
 313 B: uhuh
 314 S: in the future ... uhm ... but, I, I think that the work that was done,
 315 was ... uh ... was necessary within the terms of, of the agreement
 316 ... uhm ... and, I don't think that we should depart from the terms
 317 of the agreement too far, the, the agreement was for a warranty of
 318 one year, and ... uhm ... i, it's ... it's unfortunate that is was a, a

SIMULATION 2A

319 breakdown just after the expiry of the warranty
 320 B: yea
 321
 322 S: as I say, perhaps ... supposing ... supposing we ... uh ... take this
 323 payment and, and extend it over a period of time perhaps, in
 324 some, in some sense
 325 B: uh ... I know, you point this just to, to give us the opportunity to,
 326 to pay in ... uh ... more time
 327 S: in, in in a way that doesn't cause any, too much trouble with your
 328 budget ... uh ..
 329 B: yes ... uh ... I think is no the, the real problem for us. I, I have to
 330 solve the problem, the problem for the company because the
 331 company take the decision to buy this car, and a personal problem
 332 because I decide to, to buy this machine
 333 S: ah
 334 B: ... and ... uh ... for my reputation and for the reputation of the
 335 company is not very good that after one year this things
 336 happened, so is not important that we pay the in, in one year or
 337 two year or three year this invoice, the problem is ... not to ... uh
 338 ... to pay so much cost for, for a reparation of a machine. For, for
 339 this we, we call it the test machine ... so I think the way to. to
 340 solve this problem for ... the ... future of our relationship
 341 S: uhuh
 342 B: is to try to, to change the amount of this, this invoice. Otherwise
 343 you, you can also ... uh ... try to, to, to ask us to, to pay because
 344 legally you, you have all the rights to pay
 345 S: yes
 346 B: to ask to pay it, but I don't think is, is a ... a good idea for ...
 347 *(laughs)* the, the, the future, the future of our, our company
 348 S: I appreciate your situation in that sense ... at the same time, I
 349 can't go back ... uhm ... to the co, to my company and say that,
 350 you know, I've agreed to halve, to halving the, the ... uh ... sum of

351 the invoice
 352 B: uhuh
 353 S: and ... maybe we can come to some, some other kind of ... uh ...
 354 agreement but not, not to the, not to the extent of cutting in half
 355 B: uh
 356 S: the invoice *(laughs)*
 357 B: *(laughs)* yea, is a sort of ... uh ... half and half responsibility, is ...
 358 uh ... is just to, to fi, to try to find something that is more
 359 acceptable. I find to, this, this sort of solving a problem just to, to
 360 take also ...uh ... a, an average about the, the sum, amount of the
 361 price because we pay 60,000
 362 S: uh
 363 B: for, for, for the machine and to pay for, for repairs ... uh ... 10,000
 364 I think is very, very difficult to, to, to accept, maybe if, if it was
 365 just ... uh ... a 10 percent or something like this, I think is, is not
 366 normal, but ... could be a solution because we, we, we think about
 367 this ... uh ... machine that they have a 10 years ... uh ... life
 368 S: uh
 369 B: so if you try to image this ... uh ... life of 10 years you have to, to,
 370 to plan about, the, of, of course the reparation of the machine and
 371 something like that
 372 S: uhuh
 373 B: but i, if in this ten years you pay every year the 15 percent you
 374 get you pay of course *(laughs)*
 375 S: /every year, no *(laughs)*!
 376 B: *(laughs)* I hope no
 377 S: the, the, the machine's going to work/
 378 B: yes, yes, now yes, but I don't know how long so the, the problem
 379 for me is just to, to, to give ... uh ... demonstration that, of course
 380 ... uh ... this machine has some problem but the cost to repair it
 381 for one year is not so large
 382 S: uhuh

SIMULATION 2A

383 B: and give the opportunity also to, to, to give ... uh ... my company 415 and accommodation is correct because ... uh ... i, is a way to, to,
384 the, the feeling that your company is ... uh ... is be able to 416 to see that is the same for ... uh ... Italian company and it's right
385 understand if there are problem 417 but the amount is, is very cheap (*laughs*) ... uh ... is just 2, 2,000
386 S: ... these I, I must repeat these ... uh ... figures for the parts 418 and I think is, is not the, the real solution just to consider the
387 and the, and the labour ... uh ... and so on are things which are 419 travel and accommodation expenses. We, we have to maybe we
388 unfortunate but they, they, they did happen ... what I might be 420 have to, to include something more ... uh ... I don't know, I
389 prepared to consider, is, as you said before the fact of our being a 421 understand you have to, also to try to, to give ... uh ... uh ... your
390 foreign company 422 company ... uh ... a meaning to, to your ... (*laughs*) ... to your ...
391 B: uhuh 423 uh ... uh ...
392 S: has ... uh ... necessitates paying more than you would have done 424 S: /as I said before, I can't go back
393 for the parts and, and labour 425 B: solution ..
394 B: uhuh 426 S: /I can't go back and say look ... uhuh
395 S: had it been local labour 427 B: yes, yes of course but I try to, to give ... uh ... the, not just the
396 B: yes 428 solution but the problem to, to ask you to, to think about the
397 S: uhm ... so ... uhm ... I think, my company could 429 problem, the problem is to, to give my, my company a, a feeling
398 consider, taking off the figure for travel 430 that we pay, but we pay in the normal case .. we pay in a,
399 and accommodation 431 in a ... yes, in a strange situation BECAUSE
400 B: uhuh 432 JUST TWO WEEKS AFTER THE, THE WA, THE PERIOD OF THE
401 S uhm ... AND THAT WOULD'VE, THAT WOULD BRING US DOWN 433 WARRANTY
402 TO, A MORE ... UH ... A LEVEL MORE COMPARABLE TO ... UHM 434 S: uhuh
403 ... IF YOU'D BOUGHT IT FROM A LOCAL COMPANY 435 B: and
404 B: yea 436 S: /that was (inaudible)
405 S: FROM AN ITALIAN COMPANY 437 B: sometimes (inaudible)
406 B: yea 438 S: I think you must agree it was just a coincidence
407 S: ... would you be prepared to do that? 439 B: yes, but sometimes happen
408 B: uhuh ... so you think about this, just this item ... this one 440 S: uhuh
409 S: the travel and accommodation expenses which is nearly 2,000 ... 441 B: we have just to, to think about when happen these things in ... uh
410 uh 442 ... this period in ten years ... uh ... WE ARE NORMALLY, WE ARE
411 B: yes, well I, I ask about an item about the labour not for, for the 443 ABLE TO PAY ... UH ... ALONG THIS PERIOD 10 PERCENT OF THE
412 labour. just to, to find ... uh ... uh ... a good fare for, for the 444 REPARATION IN A YEAR, so maybe we have go, we
413 invoice not, I understand your, your way to, your ... uhm ... uh ... 445 have to go in this direction ... cioè ... to
414 your position to ... uh ... what, what you think about the travel 446 find ... uh ... a good situation, a, a real

SIMULATION 2A

447 situation to, to, to, to have an amount
 448 nearly to, to the ten percent, i, i, is the
 449 only things, I think is better to consider
 450 S: ... uhuh ... what do you propose then?
 451 B: uh ... yes I know that for you, maybe for you is very important to
 452 find the, the right item to justify your company why you decided
 453 to cut this item, for me is not very important because for me is
 454 important more the solution
 455 S: uhuh
 456 B: just to, to, to give the my company the opportunity to, to, to say
 457 ok it's a normal situation, is a strange situation ma is a normal
 458 situation because maybe ... uh ... until one year or two years
 459 nothing happen
 460 S: uhuh
 461 B: and this is the right amount to repay it in 10 years
 462 S: ... uh ... but, uhm if we take away for example, as I
 463 proposed the, the figure of travel
 464 B: uhuh
 465 S: and accommodation
 466 B: yes
 467 S: we're reducing the,
 468 B: yes
 469 S: we're reducing the, the bill to about 8,000
 470 B: yes
 471 S: uhm ... which is ... uh uh
 472 B: we have to (laughs) to reduce ... uh ... 2,000 more in, in, in some
 473 way, I don't know if we can reduce in parts for you or ... uh ...
 474 reduce in something, or in half labour for example
 475 S: uhm I can't possibly accept ... uh ... to reduce the
 476 parts because that would be too complicated
 477 B: yea
 478 S: and ... uhm uh ... carriage too I'm afraid this is a question

479 which would
 480 B: yes, of course
 481 S: ... uhm would you consider ... uh would you consider
 482 ... a small reduction in the labour costs
 483 B: uhm ... yes
 484 S: but really not, not to the, to the extent of 2,000 ... uh ... perhaps
 485 1,000
 486 B: (laughs) uhm, yes, I, it's not for me it's important the item as you
 487 know, it's important to, to arrive to the 10 percent, so, for me if
 488 you use a parts ... uh ... a part of the parts, a part of the labour, it's
 489 not very important
 490 S: ... uh I ... uh ... don't think I can accept that much ... uhm
 491 that much reduction I really don't, I'm sorry (clears
 492 throat)
 493 B: (laughs) so you think for you, for me to reduct 1,000 from, from
 494 the labour or 1,000 to arrive at uh ... at 70,000
 495 S: figure of 7,000
 496 B: 7,000
 497 S: yes, approximately
 498 B: 7,000 in, instead of 10, 10,000
 499 S: I do think that's, that's, a, a, a very
 500 generous reduction CONSIDERING THE SITUATION IN
 501 WHICH ... UH ... IN WHICH WE FIND OURSELVES because as I say ...
 502 uhm ... I don't believe that the relationships between our
 503 companies will, only depend upon this particular, case, I think ...
 504 uhm ... in the light of what we decide today ... uh ... perhaps this
 505 will affect future contracts between us and there may, there may
 506 well be, as I said before,
 507 B: uhuh
 508 S: the possibility of extending the warranty period and so on ... uhm
 509 ... I, I, I, will be confident that ... uhm ... that ... uh ... at least for

SIMULATION 2A

- 510 our part we will be prepared to ... uhm ...
- 511 B: */(inaudible)*
- 512 S: consider things like ... such things ... uhm ... I hope you would not
- 513 be in a position of, difficulty, in your company ... as the person
- 514 who
- 515 B: yes *(laughs)*
- 516 S: makes the decisions *(laughs)*
- 517 B: yes, course *(laughs)* this is another problem
- 518 S: uhm ... but, I, I do feel that t, to sort this question out ... uhm ... uh
- 519 ... more, a, as much as possible on its own merits
- 520 B: uhuh
- 521 S: ...uh ... should be what we are aiming to do today ... uhm ... and ...
- 522 ... not to, not to discuss it within, too much within the light of
- 523 overall relationships in our companies
- 524 B: uhuh ... yes yea, you ... you are perfectly conscious about
- 525 my problem, so, i, if you want to try to go in, in this direction, I
- 526 have to say this ... if you are not able to do this, ok, it's *(laughs)* I
- 527 know you are in the same position, and ... uh ... uhm ... the, it's
- 528 depends how you can ... you can do, i, if you can reduct the, the
- 529 price, the, the invoice ... uh ... I think is better for, for the
- 530 company, for the future of our ... if you not I, I can't *(laughs)*
- 531 give *(laughs)* you the opportunity to, to fight
- 532 S: *(laughs)*
- 533 B: I don't want it, so it's very important that
- 534 S: */(inaudible)*
- 535 B: we are, we are clear what we, we need and what you are able to
- 536 do
- 537 S: ... uh ... can you agree then, on, on this figure that I am saying?
- 538 B: I ... I, of course I need to, to arrive to the 10 percent and ... uhm ...
- 539 I think is, is better for me that we arrive at this solution,
- 540 S: I'm sorry
- 541 B: *(inaudible)*
- 542 S: ... uhm it's not clear, are you saying that you, you, you must, that,
- 543 that 10 percent, it's 10 percent or nothing?
- 544 B: uh ... I think is, for me, for my position 10 percent is ... uh ... very
- 545 positive, but, of course your company can also ... uh ... declare to,
- 546 to give an invoice ... uh ... to, to pay the invoice for 7 ... uh ...
- 547 thousand and our co, and my company say ok or not, but for my
- 548 position is very important to reduce to 6,000 ... that, that's what I
- 549 want to say
- 550 S: ... yes ... uhm ... legally, legally we could ask for
- 551 B: /you could ask 10,000
- 552 S: *(inaudible)*
- 553 B: of course, *(laughs)* of course
- 554 S: uhuh *(clears throat)* I, I, I'm sorry, we, we
- 555 can't go beyond ... I, I CAN SEE HOW, I CAN JUSTIFY TO MY
- 556 COMPANY, TAKING AWAY THE TRAVEL AND ACCOMMODATION,
- 557 AND ... UH ... AND I CAN SEE HOW, A CERTAIN, CERTAIN
- 558 REDUCTION IN THE LABOUR
- 559 B: uhuh
- 560 S: COULD BE MADE, BUT NOT ... UHM ... NOT SUCH A, A LARGE
- 561 REDUCTION
- 562 B: ... ok that's your, *(laughs)* your last *(laughs)* observation
- 563 S: I'm afraid so
- 564 B: ok ... ok ... I speak with my company, and I give ... uh ... our
- 565 answer about this proposal ... ok
- 566 S: right
- 567 B: bye bye
- 568 S: bye *(laughs)*
- 569 B: see you
- (tape recorders switched off)*

SIMULATION 2B

SIMULATION 2B - (time 18' 38")

The buyer's tape recorder is running, but not the seller's

- 1 B: right, nice to see you again
 2 S: yes (*exaggeratedly*)
 3 (*both laugh*)
 4 S: ok ..
 5 B: well, now ... how's the weather in Italy?
 6 S: ah, it's very hot
 7 B: (*laughs*)
 8 S: yes, I finished less than an hour ago ... uh ... a visit to my client
 9 B: uhuh
 10 S: and ... uh ... I pass an hour in a taxi
 11 B: uhuh, oh dear
 12 (*both laugh*)
 13 S: no air conditioner
 14 B: no air conditioner
 15 S and ... uh
 16 B: that's terrible
 17 S: yes
 18 B: (*laughs*)
 19 S: I pass ... uh ... uhm ... in my house to, to change my
 20 B: /to change a shirt
 21 S: yea, shirt because is, was very dangerous
 22 (*both laugh*)
 23 S: to arrive here and take the air conditioner
 24 B: that's right, catch a chill, catch a cold
 25 S: yea,
 26 B: uhuh
 27 S: be, before the summer (*inaudible*) the holiday
 28 B: (*laughs*)

- 29 S: ok
 30 B: anyway
 31 S: can we start?
 32 B: uh ... mine is going round already
 33 S: uhuh, ok, no, not mine
 34 B: no problem
 35 S: ok
 36 (*Seller switches on his tape recorder*)
 37 B: (*clears throat*)
 38 S: pleased to see you
 39 B: and you
 40
 41 B: uh ... what can I do for you?
 42 S: well, we have to, to see something about our
 43 ... uh ... agreement ... uh ... BECAUSE I NOTICE THAT
 44 ... UH ... DURING THIS YEAR SOMETHING ... UH ... OR, THERE WAS
 45 SOME DECREASE OF PURCHASE FOR YOUR COMPANY ABOUT
 46 B: uhuh
 47 S: THE COTTON YOU, YOU BUY, YOU BOUGHT IN THE PAST MORE
 48 THAN ... UH ... NOW
 49 B: ah yes
 50 S: AND ... UH ... I WANT TO KNOW WHY THERE IS ANY REASON ABOUT
 51 THIS
 52 B: oh, I see, well we, we generally buy in response to ... uh ... the
 53 market that we think we are going to have
 54 S: uhuh
 55 B: uh ... so ... uh ... it's true that there has been a slight decrease in
 56 our marker lately
 57 S: uhuh
 58 B: uhm ... however, we, we're optimistic ... we're optimistic ... uh,
 59 uh ... we don't think that it's going to go any lower and ... uh ... in
 60 fact we, we, we calculate that it will be going up again

SIMULATION 2B

- 61 S: uhuh
62 B: uhuh
63 S: and ... uh ... what do you think about the next ... uh ... uhm ...
64 purchase ... uh ... about your, your company and my company
65 because I want to plan ... uh ... the, the purchase and I want to
66 know something about this year, it is very important for me for
67 B: /yes ..
68 S: pianification
69 B: uhm ... well, I anticipate that ... uh ... this year ... uh ... will be
70 prob ... probably 60 ... between 65 and 68 by the end of this year
71 S: uhuh
72 B: ok? next year it should be going up again
73 S: uhuh
74 B: tea
75 S: but you know how much is the increase fo, for the next year?
76 B: uh ... for next year ... not exactly, no I'm afraid ... uh ... uh ...
77 we have rough estimates
78 S: uhuh
79 B: that's all
80 S: ok, ok. that's very important BECAUSE AS YOU KNOW ...
81 UH ... THE COTTON PRICES ARE VERY ... UH ... IS GOING UP EVERY
82 DAY
83 B: uhuh
84 S: AND ... UH ... FO, FOR OUR PRODUCTION IS VERY IMPORTANT TO
85 KNOW WHAT, WHAT ABOUT THE, THE, THE COMPANY
86 B: uhuh, yes, yes. Well as I say ... uhm ... we anticipate this ... uh ...
87 by the end of this year to ... uh ... have between 65 and
88 S: uhuh
89 B: 68 thousand
90 S: yes, this is the, is the same as last year
91 B: approximately the same as last year and ...uh ... I can be fairly
92 confident that it would be going up
- 93 S: uhuh
94 B: next year
95 S: uhuh, yes, ok this year. But you probably have some idea, or are
96 you able to, to, to make ... uh ... an agreement about next ... uh ...
97 uh ... next year ... uh ... buying, how, how much do you, do you
98 have the intention to buy next year. Do you, do you think is
99 possible to, to make an agreement?
100 S: well (*clears throat*) ... I ... uh ... I'd like to propose ... uh ... a
101 guarantee ... uhm ... figure plus a confident estimate, ok? A
102 guaranteed figure of 50
103 B: uhuh
104 S: uhm ... but a confident estimate of 70
105 B: uhuh ... ok, you can just guarantee 50, 50,000?
106 S: well, I feel that ... uh ... for next year
107 B: yes
108 S: we're talking about next year
109 B: yes
110 S: not this year remember
111 B: yes, yes, uhuh
112 S: uhm ... well, I think that's quite a, that's
113 quite a good guarantee really BECAUSE, YOU
114 KNOW, WE'RE TAKING A RISK THERE ... UH ... WE'RE TAKING A
115 RISK IN THE SENSE OF GUARANTEEING OUR PURCHASES FOR NEXT
116 YEAR
117 B: yes, we normally try to increase ... (*laughs*) ... not decrease our ...
118 (*laughs*) ... our, our selling ... uhm
119 S: /yea
120 B: that, that's important but I, I want to just to inform you the cotton
121 price is ... uh ... uh ... is increase is in the price we normally we
122 have 50 pence for each metre
123 S: yea
124 S: and ... uh ... the cotton price now is going up to around 60 pence

SIMULATION 2B

- 125 for metres. It's around 10 pence more than the past and that's the
 126 reason why we, we want to speak with your company because
 127 we, we want to ... uh ... inform you ... uh, we, we, we want
 128 to, to try a solution
 129 B: uhuh
 130 S: to estimate the value of the cotton and our
 131 ... uhm ... product BECAUSE IS, IT'S VERY IMPORTANT
 132 TO, TO, FOR, FOR US ... UH ... TO INFORM YOU AND TO, TO TRY AND
 133 MAKE A SOLUTION
 134 B: uhuh ... uhuh ... uhm .. are you saying that, that this figure here,
 135 this 10 pin, 10p
 136 S: uhuh
 137 B: increase
 138 S: yea
 139 B: is due to the increase in the price of ... uh ... raw cotton?
 140 S: no only the raw cotton. Also the production
 141 BECAUSE WE, WE ARE GOING UP WITH, WITH NEW ... UH ... UH ...
 142 NEW, NEW FORM OF, OF COTTON, NEW .. UHM ... AS YOU KNOW
 143 THE, THE, THE, OUR PRODUCT WE, WE, WE TRY TO INCREASE THE
 144 PRODUCT AND WE, WE, TRY TO, TO CHOOSE THE BEST COTTON,
 145 THE BEST QUALITY
 146 B: uhuh
 147 S: AND IF WE BUY AGAIN THE BEST QUALITY WE HAVE A, A LOT OF
 148 INCREASE AND THAT'S THE AROUND, THE, THE PRICE OF, NORMAL
 149 PRICE THAT WE NORMAL IN THE FUTURE WE, WE PLAN TO, TO
 150 SELL THE COTTON
 151 B: uhuh ... but if I assume correctly
 152 S: uhuh
 153 B: uh ... in this 50 pence per metre ... uh ... the cost of the materials
 154 ... uhm ... the labour ... uh ... overheads ..
 155 S: uhuh
 156 B: uhm ... etcetera, ok? The cost of the materials is perhaps ... uh ...
 157 20 percent
 158 S: no is more than 20 percent
 159 B: well, well
 160 S: yes
 161 B: that's ok ... it certainly can't be more than 40%
 162 S: well, the, we, we can increase about the raw material around for
 163 57, 58, that's around seven six, around seven six
 164 B: uhm
 165 S: so this is the, the two different cost. We try to, to, to include the
 166 cost of material and the cost of ... uh ... our production
 167 B: uhuh ... so you're ... uhm ... you're saying 7 pence
 168 S: uhuh
 169 B: uh ... yes, I see ... this represents the, the increase
 170 S: yea
 171 B: in the raw material
 172 S: yes, around 6, 7 pence
 173 B: uh ... well, (*clears throat*) ... I, think that, for the
 174 current year
 175 S: uhuh
 176 B: for this year
 177 S: yea
 178 B: uhm ... we ... we can't, WE'VE ALREADY BUDGETED
 179 S: uhuh
 180 B: FOR ... UH ... 50 PENCE, THE CURRENT PRICE
 181 S: uhuh
 182 B: uhm ... so I think ... uh, in fact for, for next year our budget was,
 183 was anticipating 50 percent
 184 S: uhuh
 185 B: as well ... uhm ... perhaps, what I, what I can suggest is that we
 186 continue for 95, this year
 187 S: uhuh
 188 B: uh ... paying the current price ... uhm ... next year, we can accept

SIMULATION 2B

189 an increase but not so much ... uhm ... how about ... supposing we
190 say, 50, going up to 52 ... in the year 96 and going, reaching 55,
191 pence ... uh ... the year after
192 S: uhuh
193 B: with the guarantee and
194 S: /of, of the
195 B: /yea, and remember, I'm saying the guarantee is a. is a risk for us
196 but our confident estimate is that it would be more than 15,000
197 metres, it would be 70,000 and, and rising
198 S: yes
199 B: in the future years
200 S: well, normally we, we think about the cost
201 of material is a cost, (laughs) is just a
202 cost, we can't share the cost of material
203 BECAUSE WE BUY THE MATERIAL AND IS DIFFICULT TO, TO SAY
204 ALSO OUR FURNITURE, TO SAY, OK I'M SORRY WE CAN'T, WE
205 CAN'T PAY THE, THE, YOUR BECAUSE WE HAVE A CUSTOM, A
206 CUSTOMER THAT DON'T WANT TO PAY IT, FOR IT
207 B: uhuh
208 S: so the, the problem is very, important about
209 the cost of material BECAUSE WE CAN ALSO THINK
210 ABOUT NO 7 FOR THE COST OF MATERIAL, WE CAN, WE CAN THINK
211 ABOUT 6, MAYBE 6 BUT WE CAN'T CHANGE 6 INTO 3 OR 4
212 BECAUSE IS NOT OUR ... UH ... IT, IT'S NOT, A PROBLEM OR A COST
213 FOR US, IT'S A COST FOR THE MATERIAL AND IT'S IMPOSSIBLE TO,
214 TO DIVIDE THE COST OF THE MATERIAL
215 B: uhuh so, ok. Well, do you agree that for the, for
216 the current year we ..
217 S: /(laughs) I can't ag, I can't agree or disagree
218 BECAUSE IT'S IMPORTANT TO FIX A COST ... UH ... OUR COST IS SIX
219 PENCE MORE ..
220 B: uhuh

221 S: FOR THIS YEAR AND ... THIS IS IMPOSSIBLE TO, TO SHARE IT OR TO,
222 TO REDUCE IT BECAUSE IT, IT'S JUST THE COST OF THE MATERIAL.
223 We can, we can try to, to, to divide or to share this cost in more
224 year but it's impossible to ... uh ... cancel
225 B: uhuh
226 S: this increase
227 B: well, so far, so, we're August now, so far we've bought ... uhm ...
228 what is it? ... uh ... so far we've bought 4, 40,000 meters from you
229 at, at the old price
230 S: uhuh
231 B: so, th, that's, that's already transactions already ..
232 S: /yes, it's finished
233 B: covered ... uhuh
234 S: and also we, we bought the materials, we, we don't have this
235 problem. The problem is just now
236 B: /for 96
237 S: yes, BECAUSE WE HAVE TO, TO BUY THE MATERIAL AND SO WHEN
238 WE BUY A MATERIAL WE HAVE TO PAY MORE, is just a
239 present problem,
240 B: uhuh
241 S: it's not a past problem
242 B: uhuh
243 ...
244 B: but from 50 to ... uh ... 56
245 S: uhuh
246 B: is a big, is a big increase. How about, suppose we agreed to reach
247 56 by, by the year 97?
248 S: uhuh
249 B: and we could say ... uh ... 54 for the year 96
250 ..
251 B: well you see it's no, not really
252 S: /yes

SIMULATION 2B

- 253 B: it's not really our
 254 S: yes
 255 B: our problem. I MEAN WE, WE, WE ARE VERY SATISFIED WITH
 256 YOUR PRODUCT
 257 S: yes, thank you *(laughs)* ... THIS IS VERY IMPORTANT FOR US
 258 B: uhm
 259 S: AND WE WANT JUST TO, TO, TO, TO TRY A SOLUTION BECAUSE WE,
 260 ALSO FOR US
 261 B: uhuh
 262 S: I, IT'S, IT'S VERY IMPORTANT TO, TO TRY TO MAINTAIN THE COST
 263 B: uhuh
 264 S: for, for the customer, but in some situation like this in, in which
 265 the cost of material is the, is, is very high and increase every day,
 266 and every year,
 267 B: uhuh
 268 S: we can also try to, to make a solution to arrive in one year or two
 269 year, but also we, we decided to, to, to try to ... uh ... involve the
 270 cost, because is impossible for us to ... uh ... to pay more and
 271 have less *(laughs)*
 272 B: ... uh ... *(clears throat)* ... well
 273 S: /maybe i, it's possible to ... uh ... uh ...
 274 include more for, for this price for more
 275 ... uh ... purchase of cotton ... uh ... BECAUSE IF
 276 WE INCREASE THE PRICE AND WE DECREASE ALSO THE QUANTITY
 277 B: uhuh
 278 S: it's impossible for us to maintain
 279 everything, BECAUSE IN THE QUANTITY MAYBE SOMETHING
 280 ABOUT THE COST WE CAN INCREASE FOR ... UH ... FOR ... UH ... THE
 281 B: /that's ... that's a possible
 282 S: uhuh
 283 B: that's a possible solution BECAUSE AS I SAY WE'RE
 284 ... UH ... FAIRLY CONFIDENT ABOUT OUR MARKET
 285 S: uhuh
 286 B: uhm ... so, let's say for, for next year we, we have ... uhm ... a
 287 guarantee of ... purchase of ... uh ... 65,000 meters? And for 97, I,
 288 I project ... uhm ... 75,000
 289 S: uhuh ... oh, I, I prefer to re, re, return to the, the old
 290 B: the old figures?
 291 S: yes, I
 292 B: /I, I'm
 293 S: I, if, if this
 294 B: yes
 295 S: was ... uh ... for example 75 and this one 80
 296 B: uhuh
 297 S: for me, could be ok BECAUSE FOR ME IS IMPORTANT
 298 THAT THIS YEAR MAY BE 52 ... UH ... NEXT YEAR 54 AND, AND
 299 NEXT YEAR 56, AND WE TRY TO ... UH ... TO MAINTAIN FOR THIS
 300 YEAR 68 OR, OR 70, NEXT YEAR 75 AND 97 ... UH ... 80 TO, TO, TO
 301 TRY TO INCREASE THE PRODUCTION
 302 B: so you're saying ... uhm ... 52 here
 303 S: uhuh
 304 B: here it's 68
 305 S: or 70. 70 is, is could be better BECAUSE IS
 306 MORE THAN LAST YEAR SO WE HAVE AN INCREASE OF 2,000
 307 METRE ... OF PRODUCTION ... IS, IS NOT TOO MUCH
 308 B: uhuh ... here 70
 309 S: and next year, 75
 310 B: uhuh ... this is a big risk ...
 311 S: I think
 312 B: /big risk for us ... uhm ...
 313 S: I think the, in the past three years ago, we, we bought ... you
 314 bought ... uh ... around 80
 315 B: uhuh

SIMULATION 2B

316 S: thousand metres, you could be the same now BECAUSE
317 WE, WE ARE IN THE SAME MARKET, THE (*INAUDIBLE*) IS GOING UP
318 B: uhuh
319 S: IS GROWING VERY, VERY FAST
320 B: uhuh
321 S: AND FOR US WE CAN ALSO DECIDE TO, TO, TO HAVE THE SAME
322 B: uhuh
323 S: QUALIFICATION FOR OUR ... UH ... FURNITURE
324 B: uhuh ... ok, we'll make it that then ... I think we can manage 52,
325 54,
326 S: uhuh
327 B: 56, 70, 75
328 S: ok
329 B: right, agreed
330 S: yes, ok, bye bye, thank you, bye bye
(both switch off their tape recorders)

SIMULATION 3A

SIMULATION 3A - (time 23' 23")

- 1 B: how we arrange this ...uh ... discussion, in the sense that ... uh ...
 2 how do we have to play? Now just as a ... as an introduction?
 3 S: uh
 4 B: /how do we have to ... uh ... play?
 5 S: well (*clears throat*) ... uhm ... I'm the representative of the
 6 B: /yes, I. I know that, I know that ... Now, just establishing the rule
 7 of the games first
 8 S: uh ... well we, we play our parts ...
 9 B: uhuh
 10 S: uhm
 11 B: so, right, ok without any particular rules?
 12 S: I think no, I asked ... uh Matthew, you know, whether to, whether
 13 we were supposed to adopt any rules and he said no
 14 B: uhuh
 15 S: he said simply follow these instruction as they are
 16 B: uhuh
 17 S: and you have your instructions and I have mine
 18 B: uhuh, ok, fine
 19 S: I think, I think, that's
 20 B: /that's all
 21 S: all we have to do really
 22 B: ok, fine (*laughs*). So, welcome
 23 S: thank you, I'll start then ... uhm ... I see that ... uh ... I see that
 24 you've received this invoice and you are informed about the
 25 situation
 26 B: uhuh
 27 S: and I gather that your company is ... uh ... unwilling to meet the ...
 28 the invoice. I wonder if you could
 29 B: /yea, really I, I was ... uh ...
 30 S: could explain your company's position
 31 B: I was ... uh ... quite surprise ... uh ...
 32 and a little bit upset on receiving this
 33 invoice
 34 S: yes
 35 B: FOR A NUMBER OF REASON
 36 S: uhuh
 37 B: UH ... FIRST OF ALL BECAUSE WE ALWAYS HAD A POSITIVE
 38 RELATIONSHIP IN OUR BUSINESS
 39 S: indeed, yes
 40 B: AND ... UH ... WE LOOK ALSO FORWARD TO EXPAND OUR MUTUAL
 41 RELATIONSHIP IN THIS AREA
 42 S: yes I hope
 43 B: /AND
 44 S: so
 45 B: ... uh ... we were hoping also
 46 S: (*laughs*)
 47 B: and, but these events really was
 48 disappointing FOR A NUMBER OF REASON, FIRST OF ALL ...
 49 UH ... BECAUSE ... UH ... FOR A MACHINE AT THIS LEVEL, FOR A
 50 MACHINE AT THIS LEVEL TO BREAK DOWN ... UH ... JUST ... UH ...
 51 IN A STUPID SITUATION LIKE THIS ONE, WA, IS REALLY
 52 SURPRISING AND CAUSING A LOT OF QUESTION
 53 S: uhuh
 54 B: AND SECONDLY BECAUSE ... UH ... UH ... WE AS A COMPANY AND I
 55 BELIEVE ALSO FROM YOUR SIDE IT'S THE SAME ... UH ... IN ORDER
 56 TO ACCEPT ... UH ... SIGNIFICANT ... UH ... EXPENSES, TO INCUR
 57 significant expenses like this
 58 S: uhuh
 59 B: IS USUALLY MADE AFTER A SPECIFIC AGREEMENT
 60 S: uhuh
 61 B: ... uh ... so there are problems ... uhuh
 62 ... both formally and informally that I

SIMULATION 3A

63 would like to discuss with you before begin
 64 any further discussion on future expansion
 65 of our business. I think we have to settle
 66 down this aspect of the material. The machine
 67 as you ... uh ... really know pretty well
 68 was ... uh ... brand new ... IS, IS TRUE IT WAS OUT OF
 69 GUARANTEE FROM A FEW DAYS
 70 S: uhuh
 71 B: and ... uh ... *(laughs)* I believe, I'm sure that your are not planning
 72 obsolescences of your equipment *(laughs)*, and
 73 S: */inaudible (laughs)*
 74 B: THE FACT, THE FACT THAT ... UH ... UH ... IT OCCURS IN THIS
 75 SITUATION should be something that we have to
 76 settle in a ... uh ... a friendly way, not
 77 using ... uh ... uh ... very straightforward
 78 application of the formal rules
 79 S: uhuh
 80 B: that will not benefit ... uh ... uh ... noone of us
 81 S: uhuh ... absolutely ... uhm ... the ... I, I think it was unfortunate
 82 that ... uh ... the breakdown occurred so soon after the, after the
 83 warranty had expired ... uhm ... I, I think ... uh ... it, our view is
 84 that it was rather coincidental ... uhm ... in other words ... uhm ...
 85 the fact that it occurred two weeks after ... uh ... or two weeks
 86 before, or even a year after ... uhm ... was coincidental. IF IT HAD
 87 OCCURRED A YEAR AFTER PERHAPS IT WOULDNT HAVE
 88 APPEARED SO BAD ON PAPER
 89 B: *(laughs)*
 90 S: it's the, it's the very short time involved
 91 which makes a bad appearance
 92 B: but bad appearance is not only appearance
 93 BECAUSE WE HAVE AN INVOICE ON THE TABLE
 94 S: yes ... uhm ... that's *(inaudible)*

95 *(both laugh)*
 96 B: so if it, it was just experience ... uh ... appearance we could
 97 probably handle in a different way, but there is a solid document
 98 here
 99 S: uhuh
 100 B: that we have, we have in some way ... uh ... to ... identify ... a
 101 solution for *(inaudible)*
 102 S: uhuh, uhuh ... uhm ... well I must say that, that the warranty itself
 103 ... uh ... obviously would have covered this, and ... uhm ... as you
 104 probably know, this is not covered by our after sales service ... uh
 105 ... on the other hand, we did incur these, these expenses. Now I
 106 appreciate that we want to resolve this question, in the
 107 perspective of future arrangements between our
 108 B: uhuh
 109 S: companies... uhm ... uh .. and we're prepared to go a certain way
 110 B: uhuh
 111 S: and ... uh ... to meet you. have you got any specific proposals to
 112 B: /I will
 113 S: make
 114 B: appreciate to, to listen to your proposal first
 115 S: uhuh ... well ... uhm ... I would say that ... uh ... the ... that the ...
 116 the area that we might consider ... uhm ... touching on, might be
 117 the ... uh ... labour costs ... that's one of the areas that we might
 118 be able to ... uhm ...
 119 B: uhuh
 120 S: to adjust somehow. I'm not saying that we can reduce ... reduce
 121 the labour costs entirely but we might have a, we might be able to
 122 ... uhm ... make a reduction there ... come some way to meet you
 123 B: uhuh ... and ... uh ... I really ... uh ... know that ... uh ... you
 124 have to consider that we had a double damage ... uh ..
 125 S: /I beg your pardon, sorry
 126 B: FIRST OF ALL ... WE HAD DAMAGE ... A DOUBLE DAMAGE

SIMULATION 3A

- 127 S: yes
- 128 B: UH ... THE FIRST DAMAGE WAS ON HAVING THE MACHINE TO GO
129 (*inaudible*) WITH ALL THE CONSEQUENCE ON THIS
- 130 S: uhuh
- 131 B: ALSO FINANCIALLY
- 132 S: uhuh
- 133 B: UH ... FOR US, AND ... UH ... THE OTHER ONE WAS THAT THE
134 MACHINE WAS ... UH ... IN MAINTENANCE FOR A QUITE A
135 SIGNIFICANT PERIOD OF TIME BECAUSE ... UH ... UH ... EVEN IF
136 YOUR PEOPLE CAME AND REPAIRED THE MACHINE, WE STILL HAD
137 TO SUSPEND OUR ACTIVITY
- 138 S: uhuh
- 139 B: now ... uh ... I believe that we have to consider this ... uh ... as a
140 side consequence and when you say that you can do something
141 for what is concerned the labour,
- 142 S: uhuh
- 143 B: now I would expect that, that this should be something
144 substantial, not marginal
- 145 S: uhuh
- 146 B: and also we have to consider that ... uh ... uh ... the, the, the
147 equipment has been now ... uh ... undergone a complete ... uh ...
148 cy ... a complete ... uh maintenance cycle
- 149 S: uhuh
- 150 B: BECAUSE YOUR PEOPLE WERE HERE AND ... WE (*inaudible*) THE
151 PARTS THAT WAS DAMAGED AND DID ALSO ALL THE NECESSARY
152 IN ORDER TO SET UP THE MACHINE PROPERLY
- 153 S: uhuh
- 154 B: so we have also to consider ... uhm ... an
155 extension of warranty after we have to ...
156 we identify a solution for this specific
157 case
- 158 S: ... uhm ... I think ... uhm ... as far as the extension of a warranty
- 159 on, on this particular sale ... uhm ... that's something that I'm not
160 empowered to discuss at the moment ... uhm ... I mean ... uh ... in
161 principle there's nothing against that idea
- 162 B: uhuh
- 163 S: in principle, but ... uhm ... I would have to be ... uh ... I would
164 have to consult my company first
- 165 B: uhuh
- 166 S: on that ... uhm ... I think ... uh ... it might be as well, for future
167 sales to reconsider the warranty arrangements in our contracts
- 168 B: uhuh
- 169 S: uhm ... and ... uh ... I'm, I'm, I've already, considered that and ...
170 uh ... well we've considered that for the future ... for future sales
- 171 B: uhuh
- 172 S: uh ... what do you mean by substantial?
- 173 B: (*laughs*) I mean by substantial, means that ... uh ... WE HAVE
174 HERE, OUT OF ... UH ... LET'S SAY ROUGHLY ... UH ... UH ... 3,000
175 POUNDS FOR MATERIAL, WE HAVE ROUGHLY 6,000 ... 8,000
176 POUNDS ... NOW FOR ... NO, I'M SORRY ... UH ... 7,000 POUNDS, FOR
177 LABOUR AND EXPENSES
- 178 S: uhuh
- 179 B: so we, we must consider in my opinion ... uh
180 ... a couple of alternatives
- 181 S: uhuh
- 182 B: uh ... that's are both related to the possibility, now that the
183 machine had a problem I would not ... uh ... uh ... uh ... like that
184 the machine was (*inaudible*) on Monday so just in order to think
185 to the future ... I will appreciate if we can ... uh ... have ... uh ... a
186 reduction of your ... uh ... cost in term of labour
- 187 S: uhuh
- 188 B: and at the same time to have this extension of warranty for the
189 next period that will provide us the adequate confidence on your
190 equipment and in particular on this one that had

SIMULATION 3A

- 191 S: /are you asking
 192 B: a so bad
 193 S: for an extension on the warranty on this particular, on this
 194 equipment?
 195 B: yea, after the intervention of your people
 196 S: uhuh
 197 B: and ... uh ... and together with this point to work out the labour. I
 198 ... uh ... understand that you have ... uh ... uh ... out of pocket
 199 expenses
 200 S: uhuh
 201 B: and ... uh ... this is ... uh ... something that no matter the
 202 agreement on warrantee was
 203 S: uhuh
 204 B: is a, an habit to reimburse
 205 S: uhuh
 206 B: but usually parts and ... uh ... labour is part of warranty
 207 S: uhuh
 208 B: so the warranty was expired, that's fine, we had that problem, we
 209 was unlucky ... uh ... the machine perhaps was (*inaudible*) build
 210 on Monday
 211 S: uhuh
 212 B: (*laughs*) but ... uh ... and so we can ... we are prepared to pay ...
 213 uh ... part of this invoice, but the labour
 214 S: uhuh
 215 B: but at the same time we would like to have this extension of
 216 warranty ... that cover from the risk of additional bad experience
 217 like this one
 218 S: uhuh, I see ... how about, how about this? We'll ... uhm .. have a
 219 look at the la, the item labour, and we'll reduce that by 50%
 220 B: I would like to say that I was ... uh ... uh ... uh ... thinking to
 221 reducing by 50% the total amount, so to drop out
 222 S: /The total of 10?
 223 B: /to drop out the labour
 224 S: (*very softly*) I don't think, I don't think we can do that, not quite
 225 so much ... uhm ..
 226 B: /I'm prepared
 227 S: /especially
 228 B: as
 229 B: /I'm prepared as I say to you
 230 S: uhuh
 231 B: I'm prepared to repay for your out of pocket expenses
 232 S: uhuh ... yes
 233 B: and for the parts, but anyhow you have your ... uh ... (*inaudible*)
 234 costs and (*inaudible*) benefits
 235 S: uhuh
 236 B: but labour really ... uh ... I believe you have to consider that
 237 S: uhuh uhm ... even ... uh ... I feel that if we're considering
 238 extending the warranty on this
 239 B: uhuh
 240 S: uhm ... and as I say it not, it's not excluded from our discussion,
 241 then ... uhm ... I feel that that's already a
 242 pretty good guarantee for you in the future,
 243 BECAUSE ... THIS SORT OF THING DOESN'T HAPPENED VERY OFTEN
 244 B: (*laughs*)
 245 S: it's the first time that it's happened
 246 B: hopefully (*laughs*) ... but I'm lucky it happened and it happened
 247 to me
 248 S: uhuh
 249
 250 S: I think we're
 251 B: /can we extend ... uh ... from one year from ... uh ... your repair?
 252 S: ... certainly ... certainly ... I don't think you're going to have any
 253 more problem with that machine

SIMULATION 3A

- 254 B: uhuh
255 S: it's, it's thoroughly, it's been thoroughly gone over and it's now
256 fully in working order ... I don't think you'll have any problems
257 B: If you provide me this kind of guarantee
258 S: uhuh
259 B: uhm ... uh I am willing to accep, willing to appreciate your
260 proposal also for the labour, so we can mediate our situation
261 S: what are we saying then? 50% reduction on the labour?
262 B: and one year warrantee
263 S: yes
264 B: from the date of ... uh ... repair
265 S: uhuh
266 B: ok?
267 S: ok
268 B: I think that is a fair conclusion of our little discussion on this
269 point
270 S: I'm glad and I hope we won't have any trouble in the future and
271 have a good working relationship
272 B: *(laughs)* ok, was a pleasure
(both switch off their tape recoders)

SIMULATION 3B

SIMULATION 3B - (time 20' 20")

- 1 B: all right
2 S: so playing the role
3 B: playing our roles
4 S: so, good morning Mr. East End *(laughs)*
5 B: good morning and nice to see you again
6 S: and ... uh ... it's a pleasure of course for me to come here to visit
7 you
8 B: uhuh
9 S: and ... uh ... I hope that will this be an opportunity for we discuss
10 our possibility of doing business together and for us to serve you
11 even better in the future
12 B: I certainly hope so, WE'VE BEEN VERY SATISFIED IN THE
13 PAST WITH ... UH ... ALL OUR ARRANGEMENTS
14 S: I see that you was very satisfied, however one of the main
15 reasons for coming to visit you is because we noticed that
16 according to our trend and your one trend, there is a decrease in
17 the orders that you place with us and ... uh ... we would like to be
18 sure that we are still working together in good faith and that we
19 serve you correctly and that there is no problem from outside that
20 we can fix in order to serve you better
21 B: uhuh *(clears throat)*
22 S: that's my main observance
23 B: uhuh, u, unfortunately it's ... uh ... it's more to do with the market
24 than to do with our, our ... uh ... respect for your prop, for your
25 product, because ... uhm ... as I say, we are very satisfied with
26 your products it is ... uhm ... the problem is we are dealing with a
27 fluctuating market
28 S: yea, I'm sure that there is a problem with the
29 market also BECAUSE RECENTLY THERE WAS AN INCREASE IN
30 THE COST OF THE RAW MATERIAL and
31 B: uhuh
32 S: ... uh ... these will surely have a negative
33 impact on the general market
34 B: yea
35 S: or for both of us
36 B: uhuh
37 S: BECAUSE WHEN WE WORK IN THIS KIND OF ... UH ... PROBLEMS
38 THAT ARE INDEPENDENT OF OUR ... UH ... WILLINGNESS ... UH ...
39 OF COURSE
40 B: uhuh
41 S: ... UH ... WE HAVE TO FACE THE PROBLEM
42 B: uhuh
43 S: HOW CAN WE HELP YOU TO BETTER OVERCOME ... UH ... THE
44 PROBLEM OF THE MARKET AND ... UH ... UH ... YOUR PROBLEM
45 AND ... UH ... SO WE CAN PERHAPS FOUND AN OPPORTUNITY ALSO
46 TO MANIPULATE, TO HANDLE THE DIFFICULT CONTINGENCY THAT
47 WE HAVE IN THE RAW MATERIAL MARKET
48 B: uhuh
49 S: you see any possibility for ... uh ... for us to make a better
50 schedule of service and ... uh .. to discuss ... uh ... for some ... uh
51 ... uh ... planning of your ... uh ... requirement
52 B: yes, well, that's the problem that we've got to discuss isn't it? uh,
53 we, we have to have a look at how ... uhm ... how the next year,
54 maybe 2 years, maybe three years can be, can be foreseen
55 S: sure
56 B: uhm ... now at the moment we are buying, we're buying from you
57 at the price of 50p per metre
58 S: /uhuh, no matter the quantity and without a particular
59 commitment for the future
60 B: I beg your pardon
61 S: without any particular commitment for the future

SIMULATION 3B

- 62 B: no ...
- 63 S: /without any ... uh ... regards to the quantity
- 64 B: no, what I said was ... uhm .. that's, that's what we're doing at the
- 65 moment
- 66 S: /yea, exactly
- 67 B: and what we need to, to look at is what kind of commitments we
- 68 can, we
- 69 S: /reciprocally
- 70 B can think about for the future
- 71 S: reciprocally
- 72 B: right, ok. What ...
- 73 S: /also for us you can ... uh ... rightly understand that if we can ...
- 74 uh ... engage ourselves in the raw material market we can have ...
- 75 uh ... definitive and fixed amount for what is concerned cost, and
- 76 this would provide us with an insurance for, for you as, as well as
- 77 for us
- 78 B: uhuh
- 79 S: and ... uh ... I am absolutely convinced that anytime ... uh ... if we
- 80 can do a good business it has to be for both
- 81 B: absolutely. What's your approach to the cost then?
- 82 S: ma, you know that ... uh ... we are facing
- 83 ... uh ... as an Italian operator a du, a
- 84 double situation ... uh ... FIRST OF ALL WE HAVE THE
- 85 GENERAL ECONOMIC SITUATION OF THE EXCHANGE RATE
- 86 B: yes
- 87 S: and ... uh ... this of course, has a
- 88 negative impact for our acquisition of raw
- 89 materials
- 90 B: uhuh
- 91 S: BECAUSE WE HAVE TO PAY OF COURSE IN THE FOREIGN MARKET.
- 92 ITALY IS A NOT A PRODUCER OF RAW MATERIALS OF COTTON
- 93 EXCEPT FOR MINOR QUANTITY
- 94 B: uhuh
- 95 S: so, it's, we need (*inaudible*) for our
- 96 discussion ... uh ... vice versa ... uh ...
- 97 we have ... uh ... from your point of view
- 98 ... uh ... a good ... uh ... possibility of
- 99 providing a good service BECAUSE AS A
- 100 CONSEQUENCE OUR COST OF LABOUR, so our
- 101 manufacturing cost, are in international
- 102 terms decreasing. So ... uh ... we can easily
- 103 afford ... uh ... a part of the ... uh ...
- 104 increasing cost of the raw material ... uh
- 105 ... but at the same time we have to ... uh
- 106 ... face a situation of (*inaudible*)
- 107 B: uhuh
- 108 S: so if we can make ... uh ... a kind of planning of your requirement
- 109 for the ... for this year and also even better for the next ... uh ...
- 110 one or two years
- 111 B: uhuh
- 112 S: then we can ... uh ... I believe reach a comfortable agreement for
- 113 both
- 114 B: uhuh
- 115 S: in order to consolidate our business and relationship
- 116 B: uhuh ... well so far the position is ... uh ... for this year, 1995,
- 117 we've had several orders already from you ... uhm ... in fact I
- 118 think we've already bought about 40,000 metres ... uh ... so far, I
- 119 mean up to the end of, up to the end of this month ... uhm ... at the
- 120 current price of 50 pence
- 121 S: uhuh
- 122 B: yes .. uhm ... for the rest of this year I anticipate ... uhm ... uh ...
- 123 very likely ... oh
- 124 S: you say that (*inaudible*)
- 125 B: 40,000 so far this year ... is ... uh ... the total of our orders and we

SIMULATION 3B

126 ... uh ...
 127 S: at June you say
 128 B: up to the end of this month
 129 S: so up to July
 130 B: up to July and I anticipate
 131 S: /sorry not to have this data with me
 132 B: *(laughs)*
 133 S: It should be my ... my problem more than yours
 134 B: *(laughs)* ... uhm ... and ... uh ... I anticipate that by the end of this
 135 ... uhm ... by the end of December, the end of 95, we'll very
 136 likely have ... uhm ... ordered another 30,000. That's what ... uh
 137 ... we're planning to order
 138 S: uhuh
 139 B: however, because of what I said before about
 140 the market, YOU, YOU'LL NOTICE THAT THE TOTAL IS
 141 ACTUALLY HIGHER THAN LAST YEAR
 142 S: /a little, a little higher
 143 B: THAN LAST YEAR, unfortunately we don't anticipate ... uhm ... uh
 144 ... that this will continue for, for the year of 96
 145 S: uhuh
 146 B: we anticipate that it, it'll be going down considerably after that
 147 S: uhuh
 148 B: uhm ... probably not above 50,000 for the year
 149 S: so is very, is very conservative forecast
 150 B: it may be ... h, hopefully this is a conservative forecast, hopefully,
 151 you know, it's pessimistic, but we can't ... uh ... we can't be sure
 152 S: uhuh ... uh, so you ... you realise easily that after now we covered
 153 ... uh ... the increase of cost ... uh ... but today we have to discuss
 154 how we can ... uh ... recover this increase of cost without ... uh ...
 155 having a negative impact on ... uh ... on your, on your commercial
 156 plan
 157 B: uhuh

158 S: uh ... I shall say that ... uh ... uh ... if we can make ... uh ... better
 159 estimation for the future ... uh ... this could be something that ...
 160 uh ... uh ... could put us in a position to anticipate the cost
 161 B: uhuh
 162 S: to anticipate the buyer, the commitment of the buyer and so to
 163 guarantee to you the opportunity
 164 B: uhuh
 165 S: uh ... but otherwise we are ... uh ... submitted to the market
 166 fluctuation
 167 B: uhuh
 168 S: THE TREND WE EXPECT IS A NEGATIVE FROM THIS POINT OF VIEW
 169 B: uhuh
 170 S: so it could be... uh ... a good policy for
 171 both of us ... uh ... to try to have ... uh
 172 ... a correct and complete estimation even
 173 perhaps optimistic
 174 B: uhuh
 175 S: for the future needs
 176 B: uhuh
 177 S: in order to have material in stock
 178 B: uhuh
 179 S: at an acceptable price and so to gain competitiveness on the
 180 market through this anticipation of materials
 181 B: yes
 182 S: you know that is a common practice to buy the raw material in
 183 this field, in this area of business even before the actual crop is
 184 made
 185 B: uhuh
 186 S: so if we can ... uh ... take commitment with the southern countries
 187 for buying the material this will now have a
 188 negative impact in term of ... uh ...
 189 financing BECAUSE WE ARE NOT ANTICIPATING MONEY

SIMULATION 3B

- 190 B: uhuh
- 191 S: but we can fix the price
- 192 B: uhuh
- 193 S: so what I could suggest to you
- 194 B: uhuh
- 195 S: uh ... is to anticipate even to this year that part of the supposed ...
- 196 uh ... requirement for next year and create a better opportunity for
- 197 the next year in term of, of ... uh ... commitment. In this case, if
- 198 you can guarantee to me ... uh ... to restore level of buying, let's
- 199 say like we had three years ago when you had ... uh ... a positive
- 200 situation in market
- 201 B: uhuh
- 202 S: I can obtain the price that, so I can absorb the increase of cost on
- 203 the raw material. Otherwise, and I would really ... uh ... I would
- 204 not like to do that, I have to ask you for covering a small increase
- 205 of ... uh ... at least partial ... uh ... of the increase of the cost of the
- 206 material
- 207 B: uhuh ... yes ... uhm ... I can appreciate your ... what you're saying,
- 208 the problem from the point of view of my company is that we
- 209 really cannot ... uhm ... we we can't go to the point of investing
- 210 very much more in each year, you know this year, next year and
- 211 97 ... uhm
- 212 S: /let's say that ... uh ... uh ... I'm nor required to invest in your
- 213 stock and so to have material stock
- 214 B: uhuh
- 215 S: I would like to have ... uh ... uh ... if it's feasible of course for you
- 216 B: uhuh
- 217 S uh ... more ... uh ... commitment of buying in the future more
- 218 than definitive commitment
- 219 B: uhuh
- 220 S: so if ... uh ... uh ... if ... uh ... uh ... 70,000 is not far from what ...
- 221 uh ... I was suggesting to you of 80,000. 80,000 is 10,000 this
- 222 means that you will anticipate the ... your means for
- 223 approximately a couple of months next year so it's not a so
- 224 negative situation
- 225 B: uhuh
- 226 S: uh ... in this case I can maintain the current price for all the rest of
- 227 the year
- 228 B: then
- 229 S: /then we can negotiate
- 230 B: /can I
- 231 S: yes sure
- 232 B: uhm ... can you, can we have that again please?
- 233 S: yea, you say that you have a quota for 70,000 this year
- 234 B: uhuh
- 235 S: and ... uh ... for 50,000 next year
- 236 B: uhuh
- 237 S: that's is negative, is conservative
- 238 B: uhuh
- 239 S: forecast, we hope, we hope, we both hope (*laughs*) we live on the
- 240 same market
- 241 B: (*laughs*)
- 242 S: so what I can suggest to you in order to consolidate the situation
- 243 of the price
- 244 B: uhuh
- 245 S: is to anticipate your order for an additional 40,000 this year. This
- 246 will bring you to 80,000 metres consumption of buying this year.
- 247 In the worst case, now just anticipate for a couple of months your
- 248 current acquisition for next year
- 249 B: uhuh
- 250 S: and this assumption I can maintain the current price and I can
- 251 postpone a small increase in cost of the material for you for the
- 252 next year
- 253 B: uhuh

SIMULATION 3B

- 254 S: then we can
 255 B: /what, what, excuse me, what sort of increase would you be
 256 thinking of there?
 257 S: I'm afraid that I have to ask you for something
 258 close to 10%, if we don't have a plan for
 259 quantity
 260 B: uhuh, I see
 261 S: BECAUSE I WILL ... UH ... UH ... BE OBLIGED TO BUY OFF THE SH,
 262 OFF THE SHELF MATERIAL I'm afraid
 263 B: yes
 264 S: if we can make an additional planning for next year
 265 B: uhuh
 266 S: uh ... we can imagine to have some ... uh ... decrease ... uh ... of
 267 this ... uh ... of this additional cost
 268 B: uhuh
 269 S: still trying to consolidate the quantities
 270 B: uhuh ... I think, I ... uh ... I can see a difficulty here though, I can
 271 see that this ... uhm ... anticipation is not going to be ... uh ... MY
 272 COMPANY IS NOT GOING TO LIKE THAT AT ALL ON THE BASIS OF
 273 THE BUDGET FOR THIS YEAR, so I'm afraid I'll have
 274 to exclude that. What we can do though is ... uhm ... talk
 275 in terms of possibly, possible ... uhm ... uh ... a sli, a slightly
 276 higher figure than 50, maybe 55
 277 S: uhuh
 278 B: uhm ... 55 in 96 and 55 in 97. I mean I'm sticking my neck out
 279 there but ... uhm ... uh ... would that, would that make any, would
 280 that make a significant difference?
 281 S: you know ... uh
 282 B: /I think that's a pretty, that's, for us that's a risky. a risky thing to
 283 do but I'm
 284 S: /you know
 285 B: prepared
- 286 S: THAT HABIT IN THIS MARKET IS GOING FR, FROM CROP TO CROP
 287 B: uhuh
 288 S: AND ... UH ... CROP IN COTTON CERTAINLY IS, IS GROWN TWICE A
 289 YEAR
 290 B: uhuh
 291 S: so, we can consolidate a price and we can
 292 commit ourself and as a consequence a
 293 guarantee to you a commitment if we know that we
 294 have a sp. specific ... uh ... commitment ... uh ... over a long
 295 period of time
 296 B: uhuh
 297 S: now ... uh ... if this is the figure for, for the year, this will not
 298 provide any ... uh ... significant ... uh ... uh ... input for the
 299 producer
 300 B: uhuh
 301 S: unless this could be consolidated for the first semester, that I
 302 understand how it represent a major problem if this is the ... uh ...
 303 destination
 304 B: uhuh
 305 S: so what we can do probably is to try to ... you can do nothing on
 306 this year you say?
 307 B: I'm afraid not
 308
 309 B: I'm afraid not ... the only thing that ... uh ... that we could, that I
 310 could offer you as far as this year goes, would be to ... uhm ... uh
 311 ... we can begin to talk about the price at this point I think
 312 S: uhuh
 313 B: and, we could, I think begin to look at the price for the remainder
 314 of this year, to a very small degree, but I feel that that would be,
 315 suppose we're talking about 51 pence, instead of 50
 316 S: uhuh
 317 B: for the remainder of this, of, of 95?

SIMULATION 3B

- 318
- 319 B: but, not for, you know, for the same quantity that I mentioned
- 320 before
- 321
- 322 B: you see a I see, as I understand it
- 323 S: */(inaudible)*
- 324 B: we're talking about ... uh ... we're talking about two things, aren't
- 325 we? We're talking about ... uhm ... thousands of metres and we're
- 326 talking about pence
- 327 S: uhuh
- 328 B: right ... uhm ... IF, IF WE CAN PLAY WITH BOTH THESE FACTORS,
- 329 S: uhuh
- 330 B: MAYBE WE CAN COME TO SOME KIND OF AGREEMENT ... uhm ...
- 331 so 51 pence for the remainder of this year, August to December ...
- 332 uhm ... maintaining, maintaining our ... uh ... estimate here at ...
- 333 uh ... 50 or 55 but even, even raising this to 52 pence
- 334
- 335 S: unluckily the, the quantity ... uh ... are, are so that I cannot ... uh
- 336 ... negotiate a significant discount at the exchange of the producer
- 337 B: uhuh
- 338 S: uh ... so as I told you I can absorb a quota of the
- 339 increase
- 340 B: uhuh
- 341 S: BECAUSE WE IMPROVE OUR FINANCIAL SITUATION AND WE CAN
- 342 MAKE SOME ADDITIONAL EFFORT IN TERM OF ... UH ...
- 343 RECOVERING ON EFFECTIVENESS OF OUR PRODUCTION PLAN
- 344 B: uhuh
- 345 S: but ... uh ... this is far, far too low comparing
- 346 to the amount that we ... uh ... would be
- 347 obliged to ask you
- 348 B: I see
- 349 S: BECAUSE AS I TOLD YOU OUR STANDARD PRICE IS GOING UP TO 55
- 350 B: uhuh
- 351 S: and ... uh
- 352 B: /that's a lot, a lot to meet from
- 353 S: /yes, yes
- 354 B: our point of view
- 355 S: I understand that's the reason why we are discussing
- 356 B: uhuh
- 357 S: just to
- 358 B: uhuh
- 359 S: to give you a perception of what is the situation
- 360 B: uhuh
- 361 S: and ... uh ... this is a situation that is of course impacting the
- 362 global market
- 363 B: uhuh
- 364 S: it's not just impacting us
- 365 B: uhuh
- 366 S: and ... uh ... WE ALWAYS HAD A GOOD RELATIONSHIP AND WE
- 367 ARE, AS YOU MENTIONED BEFORE, WE ARE IN A GOOD POSITION
- 368 TOGETHER
- 369 B: uhuh
- 370 S: so we wo, wo, would maintain the
- 371 competitiveness of our reciprocal product
- 372 B: uhuh
- 373 S: ... uh ... but ... uh ...
- 374 B: can I say, this
- 375 S: /can you can you, can you ... uh ... uh ... establish this quantity ...
- 376 uh ... as ... uh ... a committed quantity for the first semester? This
- 377 will put us in the position to order immediately the material and
- 378 ... uh ... guarantee the current price so we can work out afterward
- 379 this figure in order to go more closer
- 380 B: yes
- 381 S: to the ... uh ... to the real, to the real increase of cost

SIMULATION 3B

- 382 B: yes, I would say so ... uhm ... this figure ... uh ... unfortunately
383 we, we can't go beyond that figure, 51 pence
384 S: uhuh
385 B: for the current year, for the rest of the current year ... however
386 yes, we can talk in terms of 50,000 for the first semester ... uhm .
387 S: at 54?
388 B: uhm, 53?
389 S: 53 and a half could be, if ... uh ... if ... uh ... half
390 B: 53 point 5 then
391 S: uhuh
392 B: uhm ... pence,
393 S: uhuh
394 B: and that would be ... yea ... ok
395 S: so I can immediately
396 B: uhuh
397 S: commit
398 B: uhuh
399 S: uh ... the ... uh ... acquisition department to search on the market
400 for the best opportunity at this level of pricing
401 B: uhuh
402 S: and ... uh ... to ship to you ... uh ... within the first semester next
403 year this 50,000
404 B: uhuh ... that's ..
405 S: you can (*inaudible*) this now at the order now at this condition?
406 B: yes, we can do that
407 S: ok. This ... uh ... this probably can satisfy the solution and then
408 we hope that this is coming a very conservative one
409 B: (*laughs*) of course
410 S: and ... uh ... we could have a better perception for what is going
411 to be the next year
412 B: yes, I
413 S: /the second
- 414 B: expect
415 S: semester
416 B: uhuh, I wouldn't be surprised if ... uh ... if at some point in, in the
417 next year we have, we see each other again, and ... uh ... look
418 more hopefully at the future
419 S: before (*laughs*)
420 B: (*laughs*)
421 S: ok
422 B: ok
423 S: it was nice
424 B: that was nice
425 (*The buyer switches off but the seller forgets to do so*)
426 S: so, what happened really is that the ... uh ... 25 percent increase
427 on the cotton price
428 B: uhuh
429 S: is first of all is Milan exchange so is in Lire
430 B: ah, this is information I didn't have you see (*laughs*)
431 S: no this is not in Lire, but Milan exchange is quoted in Lire, not
432 pounds
433 B: ah, right
434 S: no? So I covered my ... uh ... myself from the risk of exchange
435 B: yes
436 S: and 25 is 5 p
437 B: uhuh
438 S: no, over 50, so I, I, of course lost something on this trade, but ...
439 before is usual habit that once you have the material in house you
440 force your salesmen to sell
441 B: ah, so they work harder
442 S: they work harder just because you have the material in house
443 B: I see
444 S: now, we have possibilities that you, you will buy much more than
445 that next year

SIMULATION 3B

446 B: uhuh ... I see

447 S: that's, that's the logic that's, that's behind that

448 B: that's, that's compelling logic (*laughs*) I didn't know that at all
449 (*laughs*)

450 S: I am not so sure that it will work but at least I will not be fired for
451 losing the customer

(both laugh)

SIMULATION 4A

SIMULATION 4A - (time 21' 54")

1 S: please come in
 2 B: grazie
 3 S: *(laughs)* ... rights ... let's ... uh ...
 4 B: who starts first?
 5 S: well, let's see if we can, we can see what ... uhm ... what's going
 6 to happen, we've ... uhm ... we've sent this invoice to your
 7 company and ... uhm ... I gather that there's ... your company is ..
 8 uh ... uh ... a bit reluctant, or, or, or perhaps unsure about paying
 9 ... uh ... this invoice. Can you please ... uh ... clarify the position?
 10 B: yes ... uh ... YOU KNOW FIRST THE ... UH ... NORMAL ... UH ...
 11 INTERNAL PROCEDURE THAT WHEN WE RECEIVE AN INVOICE
 12 NORMALLY IT SHOULD BE A CONTRACT OF PURCHASE OR AN
 13 AGREEMENT
 14 S: uhuh
 15 B: IN ... UH ... RECEIVING THE BILL ACCEPTED BY OUR ... UH .. UH ...
 16 FINANCIAL DIRECTOR IN LINE WITH THE APPROVED BUDGETS
 17 S: uhuh
 18 B: SO THE FIRST COMPLAINT, THE FIRST REQUEST I'LL MAKE TO YOU
 19 IS THAT THERE WAS NO REFERENCE TO AN AGREEMENT THAT WE,
 20 YOU HAD STIPULATED WITH US AT THE TIME THE SERVICE WAS
 21 REQUESTED, SO WAS ... uh ... a little bit
 22 difficult to find ... uh ... this kind of
 23 document SINCE ... UH ... IT WAS NOT ISSUED, THERE WAS
 24 ONLY A VERBAL REQUEST MADE BY US IN ORDER TO HAVE OUR
 25 EARTH MOVING MACHINE REPAIRED
 26 S: yes, I see
 27 B: and .. you know, besides that, I ... I thought that for
 28 starting the work I might have received an
 29 estimate costs from your company just in
 30 order to have an idea of the amount ... uh

31 ... uh ... to be incurred for the repair and
 32 ... uh ... also, a proposal that might be
 33 accepted by us or not if we wanted to have
 34 the machine repaired, or at least , put in
 35 this way, completely changed
 36 S: uhuh
 37 B: SINCE THE AMOUNT THAT YOU BILLED US REPRESENTED THE 8, 9
 38 PERCENT OF THE COST OF THE, OF THE MACHINE
 39 S: uhuh
 40 B: OF THE HISTORICAL COST OF THE MACHINE
 41 S: I see, the ... uhm ... THE PROCESS WHICH LED UP TO THE WORK
 42 BEING CARRIED OUT ... UHM ... WAS OBVIOUSLY CARRIED OUT BY
 43 ... UH ... A, A, A DIFFERENT DEPARTMENT IN MY COMPANY so
 44 I'm not fully familiar with what actually
 45 happened ... uhm ... but ... uh ... SINCE WE, SINCE WE SENT THE
 46 WO, THE, THE PARTS AND THE, AND THE ... UH ... MEN OUT TO DO
 47 THIS JOB, I'm assuming that ... uhm ... at some
 48 level between our two companies ... uhm ...
 49 what was agreed at that moment in time was
 50 satisfactory ... uhm ... we didn't send an
 51 estimate, PRESUMABLY BECAUSE THERE WAS NO REQUEST
 52 FOR AN ESTIMATE ... uh ... if I make myself clear ... uhm ...and
 53 ... uh ... perhaps, possibly there was a
 54 mistake on both sides IN THAT, IN THAT MATTER,
 55 PERHAPS AN ESTIMATE SHOULD HAVE BEEN SENT but I don't
 56 think it's the fault of my company only or
 57 your company only, PERHAPS IT'S A MATTER OF SHARED
 58 RESPONSIBILITY THAT THE ESTIMATE WAS NOT SENT ... uh ...
 59 however, IT WAS AGREED VERBALLY AND THE WORK WAS
 60 CARRIED OUT ... UHM ... AND ... UH ... THESE, THESE FIGURES
 61 EXPRESS THE COST THAT WAS INCURRED ... UHM ... BY MY
 62 COMPANY, so we, we have to bill you for that

SIMULATION 4A

- 63 B: uhm ... yes but, let's say ... uh ... was, it was a request verbal but
64 let's say usually in normal business, I mean, noone can commit
65 the company for an amount if is a limited amount
66 S: uhuh
67 B: but SINCE ... UH ... I MEAN ... UH ... THIS AMOUNT IS ... UH ... QUITE
68 HIGH AND, IF WE CONSIDER THAT ... UH ... YOU, YOU HAVE
69 REPAIRED A MACHINE, CHARGING US WITH SPARE PARTS,
70 MATERIAL FOR ALMOST 3,00, 3,00 POUNDS STERLING, I think
71 we might have been ... uh ... informed about
72 the damage, that you have found before
73 starting the repair, just, you know, to
74 evaluate if ... uh ... we might have chosen
75 some, you know, some other things some
76 S: /other option
77 B: other decision
78 S: yes, I understand your, what you're saying ... uhm ... I, I'M NOT
79 AN ENGINEER so I'm not familiar with what
80 problems were actually involved in this ... uhm
81 ... I suspect that it's possible that the work was be done without
82 knowing what, quite what the problem was, and that ... uhm ...
83 once the men were actually on, on site in position working with
84 these machines they perhaps discovered that more parts were
85 needed then, then they expected. I don't think that before they
86 came they, they actually knew what the problem was going to be
87 ... uhm ... and once, once they had arrived ... uhm
88 ... it seemed logical to carry out the work
89 anyway BECAUSE THE EXPENSE OF THEIR, THEIR TRANSFER AND,
90 AND, AND THE INITIAL WORK HAD ALREADY BEEN INCURRED ...
91 uhm ..
92 B: but just to be aware of your, of the practice followed by our
93 company, by, our company can be useful to solve this problem
94 and also other problems in the future. I really wonder what you
- 95 would have done if ... uh ... the cost of the spare parts to be used
96 in order to have the machine repaired would have reached 10,000
97 pounds sterling, you would have continued repairing the car or
98 you would have informed us?
99 S: PERHAPS NOT (*laughs*), PRESUMABLY NOT (*laughs*)
100 B: SO THEN IT MEANS THAT THERE IS A LIMIT THAT ... YOUR
101 COMPANY USES BEFORE REPAIRING OR ... UH ... INFORMING
102 THE CLIENT THE AMOUNT THAT ... UH ... YOU WOULD HAVE,
103 THAT HE WOULD HAVE, HE HAS TO PAY FOR THE REPAIR
104 S: uhuh, uhuh, uhuh
105 B: so I really wonder why you haven't, you
106 haven't informed about this besides that
107 fact the we have already closed the
108 expiration date of the warranty that we have
109 in this, in this, for this machine, usually, you
110 know, there's some company, of course it's not stated in our
111 contract that use some kind of policy practice
112 S: uhuh
113 B: that usually accept to repair under the warranty condition
114 S: uhuh
115 B: the machine for other one, two three months or at least they give,
116 they make a special price
117 S: uhuh
118 B: when the ma, when the machine is broken out very close to the
119 warranty period
120 S: uhuh
121 B: this case was not (*laughs*) a special price at all
122 S: well, no, it's
123 B: /you are treating my company as a new customer, not as ... a
124 customer that you have already in your pockets
125 S: uhm ... no, i, i, it's true, perfectly true what you say, there, we, we
126 don't have this practice actually of ... uhm ... continuing warranty

SIMULATION 4A

127 conditions after the expiry date of the warranty ... uh ... and ...
128 uhm ... uh ... in fact this, this particular work ... uhm ... doesn't
129 come under our after sales ... uhm service ... conditions ... uhm ...
130 I wonder if you might not consider the fact that ... uh ... two
131 weeks ... uhm ... on the face of it is a short period of time, but it's
132 a slight, a slightly coincidental that it was two weeks ... uhm ... it
133 could've been two weeks before, it could've been two weeks
134 added, it was two weeks after, or it could have been a year after ..
135 uhm ... the fact of being two weeks is ... uh
136 ... i, is not in itself I think very
137 significant BECAUSE ... UHM ... UH, UH ... ALTHOUGH IT'S, I
138 CAN SEE THAT IT'S VERY UNFORTUNATE FROM YOUR POINT OF
139 VIEW ... UHM ... BUT IF IT HAD BEEN SAY A YEAR ... UHM ... IT
140 WOULD HAVE STILL BEEN A BREAKDOWN AFTER THE PERIOD OF
141 THE WARRANTY ... uhm ... which means that ... uh ... un,
142 unfortunately we, we have, we, we have to bill you for the
143 expenses incurred

144 B: I, I
145 S: /look
146 B: I'm, I'm
147 S: /look
148 B: I don't want to use this, you know, this subject just in order to
149 have, you know, the, the bill cut by a certain percentage, but, let's
150 say is, it's the practice that our company use with the, with the
151 other, with the clients, in order to give, you know, a certain range
152 between the warranty and the damage of the repair
153 S: uhuh
154 B: uh ... before applying ... uh ... a certain ... uh ... the full amount of,
155 of, for charged as a new customer
156 S: uhuh
157 B: instead of, you know keeping
158 S: /well I must say that we ... uhm ... I'm ... uh .. for our part ... uh ...

159 we, very much like to continue good relationships with your
160 company, and ... uhm ... I think probably ... uh ... what's
161 happened in this case may be to ... uh ... a new approach to the
162 warranty agreements between us in the future ... uh ... uh ... bu,
163 but as far as this particular invoice is concerned I think we must
164 deal with this case within its limits and within that, and then
165 perhaps look at the ca, the case for ... uhm ... extending the
166 warranty period for example ... uh ... or having a scaled approach
167 to the warranty period ... uhm ... in, at
168 B: */(inaudible)* can be, can be apply to the future, but really ... uh ...
169 our company is ... uh ... willing ... to ... pay ... uh ... say, a
170 different amount that can be ... uh ... supported as really a
171 warranty ... uh ... activity performed by, by your company. So
172 let's say ... uh ... I agree that ... uh ... you have a, you have a
173 certain amount, you have incurred a certain amount in order to
174 move your people from ... uh ... your office to Italy
175 S: uhuh
176 B: so I'm really, in agreement that travel and
177 accommodation expenses ... uhm ... has got
178 to be take ... uh ... of course, I mean ...
179 uh ... labour included BECAUSE ... UH ... YOU HAVE
180 PAID ... UH ... UH ..
181 S: workers
182 B: YOUR ... UH ... YOUR WORKERS, OF COURSE I MEAN ... uh ... you
183 would be, I mean we are ... uh ... uh ... we are willing to have this
184 amount of labour applied without any high mark up applied by
185 your company but of course we can, we can stand for, we can
186 stand with this amount maybe discounted by a certain percentage
187 of 20 ... 15, 20 percent and if possible have the parts charge,
188 carriage and fuel ... uh ... plus administration fee ... uh ...
189 included, let's say in ... uh ...uh ... future transaction that will
190 have between our and your company in buying a new, a new

SIMULATION 4A

191 machine in the future
 192 S: so
 193 B: /otherwise you can manage it (inaudible)
 194 S: let me be clear about. let me be clear about what you are saying,
 195 you accept the ... uhm travel and expenses
 196 B: yes
 197 S: uh ... item, mmm? And the labour item as they stand ... uhm ...
 198 and of course the administration fee
 199 B: uhuh
 200 S: uh ... but what, I'm not quite clear what you're saying about the
 201 ... uh .. the first three items here
 202 B: for the first three items I would consider them as ... uhm ... let's
 203 say for your part would be covered by the warranty and used in
 204 order to ... uh ... uh ... I mean, in a future transaction that we will
 205 have between our and your company when we are going to buy a
 206 new ... uh ... a new car, maybe we can bill it with the terms of
 207 payment, let's say we can pay the machine (inaudible) in
 208 advance. let's say gentlemen agreement to find, to try to find
 209 today in order to, to continue our relationship in the future
 210 S: uhuh
 211 B: it would be very difficult from my, from us, in my position to
 212 S: uhuh
 213 B: as purchasing manager to support this kind of bill
 214 S: uhuh ... well I think wha, what you're asking is ... uh ... is ... uhm
 215 ... is a large reduction in, into the costs that we've incurred in fact
 216 ... uhm ... I can see that ... uh ... there's a certain ... there's a
 217 certain room for us to make a concession but I don't think it can
 218 be nearly ... nearly this amount ... uhm ... and for example, the
 219 parts we, we buy, parts, most of the parts from other companies,
 220 some of the part, some of the parts that were used were ... uh ...
 221 within our own company ... uhm ... the carriage is perhaps
 222 something that could be set off against another ... uh ... item

223 somewhere ... uhm ... but I don't think I could, I don't think I
 224 could ... uh ... go back to my people and say that I'd a, agreed to
 225 write to, to do more than ... uh ... treat for, for example half the
 226 figure, 50 percent of the figure for the parts. Now, we, we can
 227 play with that figure perhaps, i, if you're agreeable
 228 B: uhuh
 229 S: ... uhm ... and consider something like ... uh ... 1,000 ... perhaps
 230 1,500 as ... uh ... something we can ... uh ... set off against future
 231 agreements
 232 B: really we can ... I can understand your ... uh ... your standpoint
 233 BUT REALLY I'M NOT WILLING TO HAVE A, A REDUCTION BY
 234 ALMOST 30 PERCENT ON THE AMOUNT OF THE INVOICE THAT WE
 235 SHOULD, so let's say you can also I think if
 236 I can suggest that, you can also apply
 237 reduction (inaudible) markup applied by your
 238 company so just to recover the ... uh ...
 239 the direct costs without, you know, applying
 240 the markup that, you know, as a normal
 241 company you certainly apply
 242 S: uhuh
 243 B: just in order to let us to have a reduction
 244 of 30 percent on the total amount of the
 245 invoice
 246 S: uhuh ... could I ask how you arrive at the figure of 30 percent? ...
 247 uhm ... in other words what determines... uh ... this particular
 248 figure as, as your proposal?
 249 B: yes ... uhm ... let's say is, the amount of 30 percent that I'm ... uh
 250 ... that we have applied is ... uh ... uh ... related to the, payback
 251 that we have in buying this machine, so let's say we had, we were
 252 perfect in line according to our previous ... uh ... original idea
 253 when we bought this machine in order to have a cost reduction
 254 from ... uh ... having the job made by external companies

SIMULATION 4A

- 255 S: uhuh
- 256 B: and SINCE WE ARE IN LINE, we were not really
- 257 expecting to receive an invoice of this
- 258 amount, but still I can, I can
- 259 S: /this is, this ... I realise that is was unfortunate for you to ri, to
- 260 have to face this, but of course that's what
- 261 warranties are about, WARRANTIES COVER THE
- 262 UNEXPECTED, NOT THE *(laughs)* EXPECTED *(laughs)*
- 263 B: yes
- 264 S: uhm ... and the fact that it came after the warrantee period is .. uh
- 265 .. again as I said before, unfortunate, but ... so to, to reiterate I do,
- 266 I do think that for the future we may well be able to look at an
- 267 extension of that warranty period
- 268 B: uhuh
- 269 S: to ... uh ... our mutual satisfaction ... uhm ... but I think 30 percent
- 270 is, is a rather large figure for me to go back and ... uh ... and tell
- 271 my people ... uhm as I say we're, we're, we're conditioned a
- 272 little bit by the fact that, that ... the parts ... as I say, a thousand or
- 273 something, we could perhaps play with. labour ... possibly, a little
- 274 bit, but not very much ... uhm ... uhm ... I think perhaps all told ...
- 275 uh ... if we could ... uh ... we could, I could probably come down
- 276 to ... uh ... say 20 percent reduction? playing with the figure for
- 277 parts and the figure for labour
- 278
- 279 S: and, and I think if you, if you take that in, in conjunction with my
- 280 ... uh ... what I said about warranties in the future ... surely your
- 281 company would be, would be satisfied with that as an agreement
- 282 for this, in this circumstance ..
- 283 B: why don't we try to find, let's say, for the agreement between
- 284 both sides ... uh ... where our company agrees on paying an
- 285 amount reduction of 25 percent and in meantime the invoice will
- 286 be paid with ... uh ... 120, in ... uh ... 120 days instead of 30 days
- 287 proposed by you
- 288 S: uhuh
- 289 B: so at least, you know, at this point I think we are very close to
- 290 the agreement, it just a question that I can recover
- 291 S: uhuh
- 292 B: some costs delaying the payments
- 293 S: uhuh, uhuh
- 294
- 295 S: uhm ... *(doing calculations for himself)* ... I think ... uh ... we will
- 296 have to look at something like something like can we
- 297 reduce that to three months ... uhm 90 days?
- 298 B: I mean it's just to find a, I'm not at the level 30 percent, I'm close
- 299 to 26, 27, so I think I made a big effort and you made one as well
- 300 so why ... what we can do is that we can ... uh ... pay ... uh ... in
- 301 120 days and we can, let's say, anticipate any, another investment
- 302 that we are going to, to have with you buying earth machine ...
- 303 playing, I mean, in the term, with the terms of payment again and
- 304 so on ...if you agree with you can, we can stop with ... uh ... terms
- 305 of payment 120 days and then, moving this amount in the future
- 306 ... uh ... *(inaudible)*
- 307 S: alright, I think I can agree to that
- 308 B: *(inaudible - laughs)*
- S: *(laughs)*
- (both switch off their tape recorders)*

SIMULATION 4B

SIMULATION 4B - (time 8' 05")

- 1 B: well, nice to see you again (*laughs*)
2 ..
3 S: so ... did you get ... uh ... our letter ... uh
4 B: yes, we did, yes
5 S: refer the fares we apply, the tariffs we apply for ... uh ... the sale
6 of cotton
7 B: yes, yes, could you just go over it again for
8 me, BECAUSE I THINK THE LETTER, THE LETTER OUTLINED THE
9 PROBLEM BUT I'M, IF YOU COULD GO OVER THE DETAILS FOR ME
10 AGAIN
11 S: yes, I am to give you these details since ... uh ... we have been in
12 business for ... uh ... I think three years at least
13 B: oh, I think even more ... uh ... four, I think so, and we're very
14 satisfied with, with your product
15 S: although we have, we have a reduction in your order from your
16 part
17 B: yes
18 S: in the last three years
19 B: unfortunately that, that was ... uh ... due to a fluctuation in our
20 market, but things are looking up now
21 S: I see, and ... uh ... we have ... uh ... always committed ourselves
22 on the basis of ... uh ... the purchases requested ... uh . and ... uh
23 ... we have this decrease and ... uh ... as you can see you have not
24 increased the price at all, and ... uh ... in the last few years,
25 despite the fact that we had some increase on the raw material,
26 that we, we, as we know we bought from outside
27 B: uhuh
28 S: and is quoted on the Milan exchange and ... uh ... as you have,
29 you know you have read in the newspapers in the past ... uh ... the
30 months, the past few months, the cotton price have ... uh ...
31 increased, you
32 B: /what
33 S: due to
34 B: was that figure again ... uh ... the increase?
35 S: IT HAS INCREASED BY 5 PERCENT AT LEAST
36 B: 5 percent,
37 S: yes
38 B: yes ... uhuh
39 S: and ... uh ... therefore ... uh ... uh ... we had to apply the
40 increase on the raw material
41 B: uhuh
42 S: uh ... to the ... to the amount that you
43 which (*inaudible*) currently ... uh ... to
44 your company, CONSIDERING ALSO THE FACT THAT THE ... UH
45 ... PURCHASE YOU HAVE REQUESTED THIS YEAR HAS DECREASED
46 AGAIN BY 7,000 ... UH ... SORRY 9,000 METERS and ... uh ...
47 despite this we have to ... uh ... to
48 B: /uh sorry, perhaps
49 S: to review the price
50 B: yea, perhaps there's a misunderstanding BECAUSE
51 ALTHOUGH, LAST YEAR WE WENT DOWN TO 68,000 METERS ... UH
52 .. I PREDICT THAT FOR THIS CURRENT YEAR, FOR 1995
53 S: uhuh
54 B: WE'LL BE MOVING UP AGAIN ... UH ... PROBABLY TO, PROBABLY
55 TO ABOUT 70,000 AND THEN ... UH ... PICKING UP IN, IN 96 AND 97
56 S: I see
57 B: uhuh
58 S: and .. uh ... so, this means that we have
59 ... uh ... to reach an agreement AND THIS NEWS
60 THAT THE, THE AMOUNT ... UH ... UH ... OF, THAT YOU COMMIT US
61 IS INCREASING AGAIN
62 B: uhuh

SIMULATION 4B

- 63 S: REACHING AT LEAST ... UH ... UH ... 5,000 METRE LESS COMPARED
 64 TO THE, TO THREE YEARS AGO
 65 B: uhuh
 66 S: so ... uh ... this amount ... uh ... so our
 67 charge for this year, for a commitment of
 68 ... uh ... of ... uh ... 70, 70,000, 70,000
 69 metre ... should be at least of five five p
 70 per metre
 71 B: sorry, how much?
 72 S: five five fifty five metre, fifty five pence
 73 per metre
 74 B: 55 pence
 75 S: per metre CONSIDERING THE
 76 B: uhuh
 77 S: THE, THE INCREASE THAT WE, WE HAVE TO FACE
 78 B: uhm ... WELL, LET, LET ME SEE, AT THE MOMENT WE'RE ... UH ...
 79 THIS IS AUGUST
 80 S: yes
 81 B: AND SO FAR I THINK THIS YEAR WE'VE BOUGHT .. UHM ... FROM
 82 YOU ... UHM ... WE'VE ALREADY BOUGHT ... UH ... 40,000 METERS
 83 AND WE'VE PAID FOR THAT AT, AT THE CURRENT PRICE OF 50
 84 PENCE, SO IF WE'RE TALKING ABOUT, PERHAPS ... UH ... YES, A
 85 PROBABLE 30,00 METRES MORE ... UH ... I THINK ... W, WE HAVE
 86 BUDGETED FOR THAT AT THE CURRENT PRICE ... so it would
 87 ... uh ... im, impossible for us to accept
 88 a, a rise in price for this current year, but
 89 we can talk talk about 90, we can talk about 96 and 97 ... uhm ...
 90 *(clears throat)* ... uh ... and you're aiming, you're aiming to ... uh
 91 ... reach a figure of 55 pence per metre
 92 S: put in this way, since I wa, I was unaware of the fact that you are
 93 going to increase ... the, the purchase
 94 B: uhuh
- 95 S: we can ... uh ... we can reduce ... uh. let's say this, this increase ...
 96 uh ... by at least 10 percent
 97 B: what would that make it?
 98 S: let's say we, we can charge you 54 ... 53 point 5
 99 B: 53
 100 S: point 5
 101 B: point 5
 102 S: if you commit yours, if you commit the company, your company
 103 for an amount of 70, 70,000 meters
 104 B: yes, yes ... uhm ... and ... uh ... would that, would that continue to
 105 apply ... uh ... that would be our price? ok ... so 96 we reach the
 106 figure of 70,000 meters and we have 53 point 5 pence ... uhuh
 107 S: a commitment of ... uh ... 70, 70,000 meters
 108 B: yes, yes, I, I can accept that ... BECAUSE WE'RE
 109 VERY, WE'RE VERY CONFIDENT OF OUR, OUR MARKET AT THE
 110 MOMENT, THE THINGS ARE LOOKING UP AND I THINK ... UH ... WE
 111 CAN SAFELY MAKE THAT GUARANTEE ... uh
 112 S: it's ok
 113 B: uhuh
 114 S: so what's the ...
(both switch off the recorders at this point)

SIMULATION 5

SIMULATION 5 - (time 17' 45")

- 1 S: good afternoon
 2 B: good afternoon
 3 S: here we are ... so, you sent me a letter
 4 B: /about
 5 S: in which you explain the reason why you don't ... don't want to
 6 pay the, the invoice for the repair ... but I'm sorry but ... I
 7 can't ... uh ... I really can't make any ...
 8 uh ... discount to you... BECAUSE ... UH ... ALL, ALL
 9 THE COST ARE ALREADY BEEN MADE BY, BY US. AND THE
 10 WARRANTY WAS ... UH ... ALREADY ... UH ... RUN OUT
 11 B: already ended, yes, already ended, yes ... I hoped that you ...
 12 send me these things and because the ... the warrantee ... was
 13 ended ... uh ...two weeks after ..
 14 S: yeah ..
 15 B: ... the damage ..
 16 S: /in fact. In fact
 17 B: on our
 18 S: /yeah ... BECAUSE
 19 B: machine
 20 S: ... ALL OF OUR VEHICLES ARE ... ARE COVERED WITH A, WITH A
 21 SPECIAL INSURANCE ... UHM ... COMPANY INSURANCE WHICH
 22 ALLOWS
 23 B: /*(inaudible)*
 24 S: ... uh ... to ... to ... to give our customers very good after sales
 25 ... uh ... service
 26 B: I must say that
 27 S /in ... in this case ... we can't ..
 28 B: /in, in this case is very strange your
 29 S: /yeah but BECAUSE
 30 B: after sales service. Or no?
 31 S: UHM ... IT LAST ONLY ONE YEAR AFTER THE ... MM ... THE
 32 SALES ... THE SALE. I mean, your ... uhm
 33 B: /is contemporary with the warrantee, your insurance?
 34 S: no. uhm ... I mean, our company
 35 B: yea
 36 S: signed many years ago another agreement with another company
 37 ... insurance company
 38 B: /an insurance company
 39 S: and they ..
 40 B: and is agreed to finish ... uh ..
 41 S: yeah, no ... NO, THEY ... COVER ALL DAMAGES ... OUR VEHICLES
 42 CAN HAVE DURING THE FIRST YEAR
 43 B: ah ... the first year ... so, same of the warrant
 44 S: ... uh ... so, we can't ... uh ... very
 45 difficult ... very hard for us to ... to ...
 46 to make any
 47 B: /because
 48 S: discount
 49 B: because we are, we, we are great to your company
 50 and you BECAUSE YOU SEND US ... UH ... TWO ENGINEERS TO
 51 ... TO REPAIR ... THE MACHINE, THEY ARE ... THEY MADE
 52 EXCELLENT WORK. THIS IS A VERY GOOD THINGS FROM ... MM
 53 ... THE EARTH WORKS LIMITED ... and ... uh ... a part ... uh
 54 ...I could agree, agree with you, BUT ... THE ...
 55 THE ... THE INVOICE IS VERY ... VERY EXPENSIVE ESPECIALLY ...
 56 ESPECIALLY IN THE POINTS OF THE LABOUR AND THE PART
 57 TRAVEL AND ACCOMMODATION EXPENSES, BECAUSE THE, THE
 58 TOTAL ... UH ..
 59 S: amount
 60 B: THE TOTAL AMOUNT ... UH ... THE TOTAL VALUE ... IS (LAUGHS)
 61 S: IS QUITE HIGH
 62 B: QUITE LIKE EQUAL OF THE 10% VALUE OF THE MACHINE THAT

SIMULATION 5

- 63 OUR COMPANY HAVE, HAVE, HAVE PAY, BUY TO YOU ONE YEARS
64 ... ONE YEARS AGO
65 S: uhuh
66 B: AND ME AND ... UH ... OTHER ... AND ... AND MY BOSS THINKS
67 THAT ... THAT THERE ARE ... UH ... ARE STRANGE THINGS IN
68 IT ... IN THIS ... UH ... IN THIS INVOICE
69 S: *(inaudible)*
70 B: ESPECIALLY ... IN ... THERE AREN'T DISCOUNT AND BECAUSE
71 THE DAMAGE WA, WAS ... UH ... WAS BAD BUT NO ... BUT NOT
72 VERY, VERY ... VERY, VERY BAD
73
74 S: anyway, I can ... uh ... I can make ... uh ... a little discount ...
75 uhm ... but just concerning the ... the ... labour cost. 10% less
76 than ... uh ... so, instead of ... uhm ...
77 B: /10% of ..
78 S: 4,900 ... uh ... it could be 4,000 and fifth hundred
79 B: and fifth, fifth hundred
80 S: 500, sorry ... but this is the only
81 B: /you recog. recognise that
82 S: what can I say
83 B: but you recognise that the ... the ... the values of the labour is
84 ... uh ..
85 S: /no, no, no, no
86 B: very high
87 S: no, no, no ... BECAUSE ... UHM ... UH ... THE TWO PEOPLE
88 ... UH ... WHO CAME HERE TO REPAIR YOUR ... UH ... YOUR
89 MACHINE
90 B: yeah
91 S: ARE VERY, VERY, VERY SKILLED, I MEAN, THEY ARE VERY ... UH
92 UH ... THEY HAVE A LOT EXPERIENCE IN ... UH ..
93 *(5 seconds overlap - inaudible)*
94 B: /yes, I think so ... but also *(inaudible)*
- 95 S: IN REPAIRING, SO WE PAY ... PAY THEM A LOT ... QUITE A
96 LOT SO, THIS IS ... UH ... THE REAL, ACTUAL ... UH
97 ... WEEKLY ... UH ... SALARY FOR TWO, TWO ... TWO OF
98 THEM
99 B: yes I ... I .
100 S: /anyway
101 B: I could agree with you about
102 S: /this is the only ..
103 B: about, about the wage of ... of your ... uh ... two engineers, but
104 also they are only two people and not *(laughs)*
105 S: yea
106 B: ... uh ... 10 ... 10, 20 people
107 S: anyway, I can ... I can do for you ... uh ... a special discount
108 of 10% but non ... uhm ... but not on the ... the whole ... uh ...
109 invoice value but just referring to
110 B: /In fact. I told you about the
111 S: yea, in fact
112 B: the, the labour voice about the travel and accommodation are
113 S: /no travel and accommodation, this is ... I'm ... I can ... I can
114 show you ... uh ... every voice for every price
115 B: the invoice is also for the travel and
116 accommodation ... and also these voice are
117 ... are very ... very expensive BECAUSE WE STAY
118 IN A LITTLE ... LITTLE CITY LIKE STAN ... STANFORD ... HAS 2, 2
119 S: /no but Stanford is
120 B: 200 POUNDS ARE
121 S: our, our ... uh ... address
122 B: ok *(laughs)* ... is 200
123 S: so
124 B: /the parts this was very expensive
125 S: 10%. ... uh ... we can ... we can do ... uh ... for example ...
126 4,300 pounds for the labour ... so it can ..

SIMULATION 5

- 127 B: less ... 16 ... 60 pounds
 128 S: 600 pounds, yes
 129
 130 S: so you call me ... uh ... 9 ... mmm ...
 131 B: /BECAUSE WE, WE, WE HAD
 132 S: /9,000, 9,5000 pounds
 133 B: BECAUSE WE HAD THINK THAT ... THAT THE, THE LABOUR
 134 COULD US A DISCOUNT OF ... UH ... FIFTY
 135 S: /BUT THE ENGINEERS HAD TO
 136 B: /FIFTY, FIFTY PERCENT
 137 S: HAD TO WORK ALL THE DAY, UNTIL NIGHT, UNTIL TEN O'CLOCK
 138 REPAIR ... THE, THE VEHICLE, THE MACHINE, SO IT'S QUITE ...
 139 QUITE HARD FOR US TO
 140 B: /yes, I remember
 141 S: TO GIVE DISCOUNT
 142 B: I said you that they are ... are very kindly with us
 143 S: next time, you ... you, if you want ..
 144 B: /BECAUSE THE MACHINE BROKE ... BROKED ONLY AFTER TWO
 145 WEEKS from ... uh ... from ... the, the
 146 S: /yea, but the problem is ..
 147 B: the problem is the warranty
 148 S: the problem is that every ... every part of the
 149 B: /also is very strange for 60,000
 150 S: /Every cost of the invoice which is included in the invoice, this
 151 invoice ... uhm ... we did the first year of age the ... the
 152 machine is really covered by the insurance company ... after,
 153 we can do anything
 154 B: yes, yes you told me ... about this
 155 S: this is the reason
 156 B: /I repeat you, I say that ... that it is clear
 157 S: ok
 158 B: I told you IT'S CLEAR THAT WE WOULD WANT TO PAY THIS
 159 INVOICE ... IS CLEAR BECAUSE WE WANT TO
 160 S: /I hope so
 161 B: ... TO CONTINUE THE ..
 162 S: yea
 163 B: THE
 164 S: /can promise you a special warranty
 165 B: WITH YOUR COMPANY
 166 S: for the next machine ... you're going to buy ... us
 167 B: special warranty for the next machine
 168 S: but two years warranty
 169 (*overlap - inaudible*)
 170 S: for example, something like that, we can ... uh ... uh ... make
 171 some special agreement with ... uh ... some other insurance
 172 companies
 173 B: Quindi if
 174 S: /(*inaudible*)
 175 B: we will pay, we buy you another machine, it will have
 176 S: /oh, a special discount
 177 B: we hope so, a special discount or some
 178 S: we wish to keep you
 179 B: /could be a possibility
 180 S: ... as ... you ... one of your ... our customers, but at the
 181 moment I really can't ... uh ... make any further discount. In
 182 this case, as you can see, we have ... uh ... two ... uh ...
 183 almost three ... three thousand ... pounds
 184 B: /about the parts
 185 S: the parts
 186 B: /yes, we
 187 S: but we ... we ... buy the parts
 188 B: /we have to pay, to pay
 189 S: from other companies, we have, we have already paid for this
 190 B: sorry, but

SIMULATION 5

- 191 S: /the guarantee it didn't depend of us, oil, fuel
 192 B: this is ... the ... the large cost ... is,
 193 is true, is correct BECAUSE THE ... THE DAMAGE IS
 194 VERY IMPORTANT, we would want a discount more than ten
 195 percent about ... labour
 196 S: how much would ... would you like to have?
 197 B: we think so about the, the ... 50, 45 percent
 198 S: 50 percent?
 199 B: or 45
 200 S: it's quite impossible, really. I can ... I can ... uh ... go down to
 201 ... to maximum ... 3 ... 3,500 ... and no more, really ... and
 202 I'm not ... I'm not completely sure about this ... uh ... this
 203 promise but
 204 B: /*(inaudible)*
 205 S: maybe trying to explain my boss the, the,
 206 the, the, the ... the particular ... uh ...
 207 situation ... the particular break down
 208 which happened just two ... two weeks after
 209 the, the warrantee term ... uh ... uh ... we
 210 could do this ... 3,500, no more
 211 B: 3,000 ...?
 212 S: 5 ...
 213 B: you can shift only 3,000, 3,000, 3,000?
 214 S: yea , BECAUSE I DIDN'T SPEAK WITH MY BOSS ABOUT THIS ...
 215 THIS FUTURE DISCOUNT but ... but maybe
 216 B: maybe ... the invoice values will became 800
 217 and
 218 S: /more or less 9. 9,000 ... 9,000
 219 B: 9,000 pounds
 220 S: 9,000 pounds yes
 221 B: BECAUSE ... WE ARE ... WE ARE
 222 S: /no more
- 223 B: WE ARE VERY UNLUCKY WITH
 224 S: /BECAUSE WE
 225 B: THIS DAMAGE
 226 S: BECAUSE ... UH ... WE HAVE TO ... TO ... SUM ANOTHER ...
 227 ANOTHER CHARGE WHICH IS ... IS MY, MY FLIGHT ... MY FLIGHT
 228 COST TO COME HERE TO TALK WITH YOU
 229 B: I agree with you the distance between Italy and England
 230 S: so 9,000 is ... uh ... is the best ... uh ... solution I can give
 231 you, at the moment
 232
 233 B: you can
 234 S: /*(inaudible)*
 235 B: us a little discount about
 236 S: no
 237 B: about 200 pounds on the
 238 S: /it's quite, it's quite impossible ... it's
 239 not possible at all. I HAVE NEVER HEARD ANY CASE
 240 WHICH SOMEONE, SOME COMPANY ... A COMPANY ... UH ...
 241 UHM ... GUARANTEES OVER THE WARRANTEE TERM
 242 B: /yes, yes, but
 243 S: THEIR PRODUCTS, THEIR FABRICS ... so, I really can't
 244 B: yes, but, but the price
 245 S: /you need a special ... special ... uh ... uh ... market ... uh ...
 246 you are ... uhm ... an important client for us but
 247 B: oh thank you
 248 S: but ... uhm ... I really can't. I really can't
 249 B: BECAUSE THE, THE, ALL THE INVOICE ABOUT YOUR REPAIR IS A
 250 BIT TOO ... UH ... EQUAL THE TEN PERCENT OF THE VALUE OF
 251 THE PRICE OF THE ... UH ... TOTAL PRICE OF THE, OF THE
 252 MACHINE BECAUSE IT'S
 253 S: /IN FACT, IN FACT
 254 B: 60,000

SIMULATION 5

- 255 S: I HAVE ALREADY
 256 B: /and is very ... very hard to accept
 257 S: MADE FOR YOU ... A SURCHARGE ... UH ... UHM ... UH ... A
 258 MORE ... UH ... HIGHER DISCOUNT. I MEAN ... INSTEAD OF
 259 10,400
 260 B: yeah
 261 S: I TOLD YOU ABOUT 9,000, SO, IS MORE THAN 10% ONLY THE
 262 WHOLE
 263 B: the total price
 264 S: ... THE TOTAL COST ... IT'S QUITE A LOT ... OUR TWO
 265 ENGINEERS
 266 B: *(inaudible)*
 267 S: HAD WORK ON SATURDAY, FOR EXAMPLE ... SO, WE HAVE TO,
 268 TO PAY THEM FOR THE, FOR THE FREE DAY WHICH THEY, THEY
 269 WORKED TO REPAIR
 270 B: I don't remember this, this particularly ... anyway ..
 271 S: /they told us ... the, the damage was quite
 272 hard to, to repair, to solve the problem...
 273 BECAUSE IN THIS FIRST YEAR YOU HAVE, YOU HAVE ... UH ...UH
 274 ... USED, UTILIZED THE, THE MACHINE VERY, VERY HARD ...
 275 YOU HAVE ... THE MACHINE HAS WORKED A LOT
 276 B: yes, I think so ... BECAUSE WE ARE A HEAVY COMPANY
 277 ... WE HAVE, WE HAVE A LOT OF WORKS AROUND PARIS AND
 278 ANOTHER ALSO ANOTHER COUNTRY LIKE ... LIKE BELGIUM
 279 S: so ... so you are quite well about the
 280 situation of your ... uh ... machine. So,
 281 you quite knew before ... begun
 282 B: to, to find ... uhm ... a good agreement between ... uh ...
 283 between our company. I told you if, if you ... you will go down
 284 from 9, 90,000 to 8, 8, 8, 900
 285 S: no, no
 286 B: less 90,000 pounds
- 287 S: no
 288 B: and we will
 289 S: /I really can't
 290 B: we, we we find ... uh
 291 S: /before leaving, before ... uh ... coming, my boss told me about
 292 9,500 ... not one pound less ... so now I can tell you something
 293 which ... which is a little bit
 294 B: yes
 295 S: cheaper
 296 B: we will pay you *(inaudible)* of, of, of the repairs
 297 S: I like to ... like talking about the real situation instead of trying
 298 to negotiate some ... something which could be better for us,
 299 but the maximum limit ... uh... level is ..
 300 B: /*(inaudible)* 900 pounds is not ...
 301 S: no we can't
 302 B: not much for your company
 303 S: /ok ... this could be. If you pay my ticket plane ... plane ticket
 304
 305 S: uh ... this is
 306 B: /*(inaudible)* if you give us
 307 S: /300
 308 *(both laugh)*
 309 B: ok. if you give us for the ... uh ... a gentleman's agreements
 310 between you and me
 311 S: /for the next
 312 B: for the next machine, for the special warranty for the next two
 313 years
 314 S: /the next ... uh ... earth moving machine ... uh ... will be
 315 covered by a special ... uh ... two years warranty
 316 B: ok
 317 S: ok ... it's ok? ok
(both switch off their tape recorders)

SIMULATION 6

SIMULATION 6 - (time 18'52")

1 B: good afternoon
 2 S: good afternoon
 3 B: good afternoon, nice to meet you
 4 S: nice to meet you, can I introduce myself?
 5 B: yes, please
 6 S: I'm C.G. I'm a, a sales manager of the, the British Construction
 7 Equipment Manufacturer and I work in this company since ...
 8 uh ... 19 ... uh ... 90
 9 B: three years
 10 S: yes
 11 B: only three years?
 12 S: yes, but I have a lot of experiences before
 13 B: in other companies?
 14 S: yes, in other company like this ... other company, about
 15 machines
 16 B: your specific ... uh ... work is ... in this company?
 17 S: sales manager
 18 B: sales manager, ok
 19 S: sales manager, yes
 20
 21 B: I introduce myself?
 22 S: yes, ok
 23 B: I work for a construction company, there is a CCM, is a Italian
 24 company
 25 S: yes, I know
 26 B: uhm ... we received a ... this invoice ... uh ... in the date 12 of
 27 September of 1993, and this is an invoice about a ... repair
 28 charges
 29 S: yes
 30 B: uhm ... the problem is we ... we ... purchased ... uh ... an

31 earthmoving machine ... and we paid this, this ... uh ...
 32 machine ... uh ... 60 ... uh ... 61 pounds, no, six thousand
 33 pounds ... uh ... from you, so ... uh ... this machine after ... uh
 34 ... one year of ... uh ... run ... running, is ... uh ... had some
 35 problem, some problem, it broke down, and so we call the ...
 36 the ... we call, we called your company to repair this machine
 37 and ... uh ... we see the price is, is very, very, very expensive
 38 S: I, I, I received it that ... uh ... general brief ... uh ... that
 39 invoice of yesterday, and ... uh ... I read this for the first time
 40 this morning, but ... uh ... what's the problem?
 41 B: the problem is ... is very, very simple, the price, the
 42 total price too, very expensive for us,
 43 BECAUSE ... UH ... IF YOU CONSIDER WHAT THE MACHINE COST
 44 ... UH ... SIX THOUSAND POUNDS, SIX THOUSAND ... UH ...
 45 POUNDS AND ... UH ... YOU PUT IN YOUR, IN YOUR INVOICE
 46 ONLY FOR PARTS FOR THIS MACHINE TWO ... UH ... TWO
 47 THOUSAND EIGHTY TWENTY SIX ... UH ... EIGHTY HUNDRED,
 48 TWENTY SIX POUNDS ... ONLY FOR THE PARTS, FOR THE RE ...
 49 UH ... PARTS OF, OF, OF THIS MACHINE I see that ...
 50 that ... uh ... that the price ...
 51 S: yes, but
 52 B: /the cost is ... uh ... too, too many ...
 53 expensive
 54 S: yes but parts are
 55 B: /but you must consider our company is ... uh
 56 ... a potential customer of ... of you
 57 S: yes
 58 B: AND WE, WE ... WE COULD ... UH ... BOUGHT, SORRY, COULD
 59 BUY, COULD BUY IN THE FUTURE MORE AND MORE MACHINE FOR
 60 OUR COMPANY
 61 S: yes. I, I, I know
 62 B: and so ... if you tell me something about this, this parts of the

SIMULATION 6

- 63 ... of the repair and we can ... uh ... adjust the price, the total
64 price because sincerely for us it's, it's ... so much expensive
65 S: yes. I know ... your company, and ... uh ...
66 and I know this problem BECAUSE LAST ... BECAUSE
67 THIS YEAR I HAVE SENT YOU TO REPAIR TWO ENGINEERS FOR A
68 WEEK, BECAUSE ... UH ...
69 B: yes
70 S: when ... uh ..
71 B: two people
72 S: two people, yes ... when ... uh ... you have ... you had a big
73 problem for this machine
74 B: yes
75 S: but, I think that we can ... uh ... we can do a discount about
76 this ... uh ... about this ... uh ...
77 B: invoice
78 S: yes ... invoice, but only about the labour that is the most
79 important ... part of this invoice
80 B: that ... about four, four
81 S: /about carriage and parts, it is not possible for me
82 B: no? ok, I have said your discount, I don't know how much, but
83 ... uh ... we can ... we can speak about it, but the price about
84 the parts
85 S: yes
86 B: of this machine ... uh ... is too much
87 S: but a lot of these parts for our machines ... we, we must buy ...
88 uhm ... out, we must buy a lot of parts in other companies
89 B: /must import?
90 S: yes, must import from the other countries and ... uh ... must
91 buy ... from ... uh ... other companies ... in French, in, in, in
92 England
93 B: so
94 S: /we can
- 95 B: our, our company could, could decide to have another ... uh ...
96 another ... uh ... another, another construction ... another
97 company to purchase these kind of machine ... uh ... I see, I
98 mean a company ... uh ... which ... uh ... don't have, don't
99 need to import the ... the ... parts
100 S: yes, but I, I can not decide it BECAUSE THIS IS
101 A STRATEGIC DECISION, ONLY THE TOP MANAGER CAN DECIDE
102 ... UH ... WHERE IT'S POSSIBLE TO BUY ... OTHER PARTS, OTHER
103 PARTS FOR OUR MACHINE, AND ..
104 B: this is true
105 S: IS NORMAL
106 B: this is a problem of your company
107 S: yes, is our problem. I ... I ... I'm sure we can, we can ... find a
108 compromise about ... uh ... the price ... uh ... and ... uh ... I
109 can, I can offer you a discount about 10% ...
110 uh ... of the net invoice
111 B: 10%?
112 S: 10% yes
113 B: 10% is the
114 S: /BECAUSE YOU ARE CLIENT ..
115 B: we ... we will pay about nine, nine
116 S: mmm, nine thousand, three hundred pounds
117
118 B: only for (*inaudible*)
119 S: /9,300 pounds (*inaudible*)
120 B: only for a machine
121 S: /I think that
122 B: it's a very important machine, and ... uh ... this machine cost
123 sixty ... sixty
124 S: yes ..
125 B: sixty thousand and seven hundred dollars
126 S: yes, but is a new machine

SIMULATION 6

- 127 B: you see, you see ... the, the the relation between these two ...
 128 these two ... these two ... prices ... is too expensive, this in
 129 relation of this, and ... uh ... we must find another solution
 130 and ... uh ... for example, you, you, you said that is impossible
 131 to have a discount on, on parts because you import the parts
 132 S: yes, yes
 133 B: so, this price is fixed for you?
 134 S: yes
 135 B: there is no possibility of ... uh ...
 136 S: mmm
 137 B: of discount in this ..
 138 S: I, I cannot ... uh ... negotiate with you ... uh ... with you ...
 139 negotiate about the parts
 140 B: you can negotiate only
 141 S: /about the labour ... the travel, the accommodation
 142 B: /the labour it means that ... we have two person
 143 S: yes
 144 B: so means that every person cost you ... uh ... for this kind of ...
 145 of ... repair ... two hundred and forty five ... forty ..
 146 S: forty two thousand
 147 B: forty two thousand and five hundred ... uh ... pounds
 148 S: yes, but the ten percent discount about the
 149 invoice statement for me is a discount ...
 150 uh ... about twenty, twenty three percent
 151 ... uh ... about the labour, BECAUSE I HAVE TO ...
 152 TO ... JUSTIFY THIS, THIS DISCOUNT ONLY FOR ... UH ... THE
 153 VOICE ... UH ... LABOUR AND TRAVEL ACCOMMODATION
 154 EXPENSES, AND I HAVE TO SPEAK WITH THE ADMINISTRATION, A
 155 COMPANY ... AND I HAVE TO EXPLAIN ... UH ... IT THAT ... UH
 156 ... I DID YOU A DISCOUNT ABOUT ... UH ... TWENTY PERCENT ...
 157 ABOUT LABOUR AND TRAVEL AND ACCOMMODATION EXPENSES
 158 S: you say
- 159 B: /and for you is a global
 160 S: you say that we, we, you can, you can do a discount of twenty
 161 percent on travel accommodation expenses?
 162 B: yes
 163 S: and twenty percent on labour
 164 B: yes, ok, I mean twenty percent is a good discount
 165 S: but only about these two parts
 166 B: these, these two
 167 S: yes
 168 B: yes, on parts we can do another discount of ten percent, of
 169 fifteen percent, too
 170 S: uh ... I ... I should speak with my ... with my boss, the top
 171 manager of the company
 172 B: call him immediately
 173 S: yes, but it's impossible for me BECAUSE MY BOSS IS
 174 ABROAD
 175 B: so we can wait for this
 176 S: yes, until my boss comes back
 177 B: normally, normally you ... how much do you
 178 S: it's very difficult, that, that would be difficult for me ... about
 179 five percent but it's very difficult ... too big a discount
 180 B: because if there, there is twenty on labour, twenty on travel
 181 accommodation, if you ... uh ... give me ... uh ... ten percent
 182 of parts
 183 S: no, five percent
 184 B: ten percent is a minimum part, is only
 185 S: /a lot of these parts we must buy a lot of these parts ... and ..
 186 B: a lot
 187 S: and we don't have discount on parts
 188 B: but do you like in general that ... uh ... the CCM company
 189 remain you customer? Maybe for life
 190 S: yes, for life, I'd like ... (laughs)

SIMULATION 6

- 191 B: do you like this? Do you like that ... uhm ... this company ...
 192 uh ... gives you, give you every year ... many ... much part of
 193 you, your... uh ... revenue?
 194 S: much part of revenue, I don't understand? What's ... I don't
 195 understand
 196 B: for ... you ..
 197 S: me?
 198 B: yes, for your company, BECAUSE WE BUY EVERY YEAR ... UH ..
 199 S: yes, of course
 200 B: so, for you ... uh ... could be ... stimolo?
 201 *(laughs)*
 202 S: incentivo
 203 B: yes, incentive to remain partnership in this
 204 ...
 205 S: yes, maybe, but I
 206 B: /I mean ... what is your last ... uh ...
 207 S: my last offer?
 208 B: offer, yes
 209 S: my last offer is twenty percent discount about labour, twenty
 210 percent discount about travel accommodations expenses , and I
 211 have to make negotiation with my boss. ... uh ...
 212 eventually, a five percent discount about
 213 parts, but I think that I ... I will
 214 communicate you this... five percent
 215 discount only the next week ... BECAUSE I HAVE TO
 216 SPEAK WITH MY BOSS AND MY BOSS, MY BOSS WILL BE HERE
 217 NEXT WEEK
 218 B: oh, the how ... how we can solve the problem of payment? We
 219 can ... uh ... pay in ... more, more ...
 220 phases?
 221 S: no, no
 222 B: or not?
- 223 S: I think our employees
 224 B: /BECAUSE FOR OUR COMPANY THERE ARE PROBLEMS FOR THE
 225 LIQUIDITY AND SO FOR US SHOULD BE IMPORTANT FOR US TO HAVE
 226 A LITTLE ..
 227 S: yes, but our ... our invoice must be paid ... *(laughs)* at delivery
 228 date
 229 B: all the invoice, you think?
 230 S: all the invoices
 231 B: because
 232 S: /when you an invoice about repairs
 233 B: we can pay ... I don't know ... sixty percent now and forty percent
 234 in forty days
 235 S: if, if only you buy a new machine, we can find one solution for
 236 the payment
 237 B: but not for repair?
 238 S: ah, no, it's impossible for us... BECAUSE ... and for
 239 you, we can add ... uh ... if you buy a new cars, new machine,
 240 we can arrive at ... forty percent,
 241 immediately, and sixty percent after, after
 242 ninety days ... BECAUSE YOU ARE VERY SPECIAL CLIENT
 243 B: and ... and the price? ... What would be the price?
 244 S: the price?
 245 B: if I decided to buy another, another machine
 246 S: but, yes, I am sure we can find a compromise about discount,
 247 about our first price ... uh ... sixty thousand and seven hundred
 248 pounds, and if you want buy another machine, we can negotiate
 249 a discount ... it's about eight, nine percent
 250 B: eight, nine percent?
 251 S: yes
 252
 253 B: a few, a little discount ... very, very little, but this invoice
 254 remain the same?

SIMULATION 6

- 255 S: the invoice remain the same, yes, I will call you next week to *(tape stopped)*
256 inform you this
- 257 B: ok, so I can call you, if my company decide to buy another ...
258 another machine
- 259 S: yes, of course
- 260 B: eh? We remain this ..
- 261 S: we, I have to remind you that we have this price only for this
262 year
- 263 B: for three months?
- 264 S: yes, only for three months BECAUSE NEXT YEAR, I'M
265 NOT SURE, BUT I THINK THE, THE, ... UH ... THE PRICE COULD BE
266 ABOUT SIX THREE THOUSAND POUNDS
- 267 B: yes, but if you want that my company ... uh ... buy another
268 machine ... uh ... you must give me a discount of ten percent
- 269 S: ten percent?
- 270 B: yes, and maybe my company accepts your ... is all ok for you?
- 271 S: I think so, yes. I think we can
- 272 B: so we remain that we have twenty, twenty and may be five
273 percent in parts
- 274 S: only next week
- 275 B: oh ... I prefer ten percent
- 276 S: no, ten percent is impossible, maximum is five percent
- 277 B: so we can find a solution in the middle, so seven point five, for
278 example
- 279 S: yes, I spoke, I spoke with ... to my boss or other decisions
280 about discount of parts
- 281 B: for which customer, another customer
- 282 S: yes, another customer
- 283 B: another special customer
- 284 S: but another important customer for us
- 285 B: but not like us?
- 286 S: it's a German, a German customer

SIMULATION 8

- 127 B: have occurred in the warranty period, you would have had really
 128 this amount
 129 S: /of course, of course
 130 B: this amount of money
 131 S: in that period you should have paid only the ... uh ... travel
 132 and accommodation expenses ... uh ... but probably you in
 133 that case you don't paid the cost for parts, carriage, oil and
 134 so on and labour
 135 B: but (*inaudible*) you would have charged your ... uh ... profit and
 136 loss account with a reduction of 2,000 pounds
 137 S: yes, I, I, I understand what ... uh ... what you think about it ...
 138 uh ... probably ... uh uhm ... we
 139 can try to ... uh ... find a solution
 140 on, on, on this point ... uh ... BECAUSE ... UH
 141 UH ... WE, WE WANT, WE ONLY ... UH ... WANT THAT OUR
 142 CLIENT ... UH UH ... ARE, ARE SATISFIED WITH OUR,
 143 WITH OUR SERVICES AND WITH OUR PRODUCTS ... so I
 144 think that the only thing I can do in
 145 this moment is ... uh ... to, to give
 146 you a discount of this sum, BUT 2,000 POUNDS
 147 IS TOO MUCH, so I can, I can give you a
 148 discount of just half of this amount of
 149 money, so 1,000
 150 B: this is referred to parts ... uh ... you provide with, usually parts
 151 include labour cost
 152 S: no, I don't think so
 153 (*simultaneous talk*)
 154 B: you know better than me that parts include labour cost when you
 155 work in a one year period
 156 S: /let
 157 (*simultaneous talk*)
 158 B: you charge, you charge parts and then labour cost
 159 S: yes, of course
 160 B: BUT IN THIS CASE, YOUR INVOICE WOULD BE TRAVEL AND
 161 ACCOMMODATION EXPENSE, so are you try to tell
 162 me that you pay, that you charge labour for
 163 2,000 lire in your warranty period, when the
 164 customer asks for ... uh ...
 165 S: /yes, if, if
 166 B: /for a, a
 167 S: /of course
 168 B: repair?
 169 S: of course if the customer is abroad ... uh ... is very far from our
 170 company ... uh uh ... (*inaudible*) you know we can't pay ...
 171 uh ... for, for our client the, the travel and the accommodation it's
 172 a normal ... uh ... practice in our ... uh ... in our work
 173 B: yes, is normal, if it's normal in the warranty period then
 174 have, have to, to try to find a solution, either you charge me
 175 only for parts, but I'm not willing to pay the
 176 carriage for parts ... OR YOU CHARGE TRAVEL
 177 AND ACCOMMODATION EXPENSES WITHOUT PARTS AND CARRIAGE
 178 BECAUSE I'M NOT WILLING TO PAY FOR THE TWO THINGS ...
 179one has got to be included in parts, or, either you exclude
 180 parts
 181 S: ok ... uh ... I, I can understand but I don't think now we can solve
 182 the problem in this way ... uh uh ... I think we have two
 183 ways, now basically to ... uh ... to, to get ... uh ... agreement
 184 B: uhuh
 185 S: I can, I can give you a discount
 186 B: uhuh
 187 S: on the travel and accommodation expenses as I told you just
 188 a minute before ... or, I think the best thing I can do is to, to
 189 give you ... uh uh ... a delay in the period of payment ...
 190 uh ... I, we don't pretend you to pay 10,000 pounds in 2

SIMULATION 8

- 191 months as usually, we can give you one year
 192 delay ... uh ... uh ... BECAUSE I THINK THAT IN THE
 193 FUTURE OUR ... UH ... WORK RELATIONSHIP HAS TO BE VERY
 194 GOOD AND SO WE ARE GOING TO PREPARE SOMETHING ... UH
 195 ... FOR THE PERIOD AFTER THE NORMAL GUARANTEE
 196 B: uhuh
 197 S: and so we, we, we won't have this kind of
 198 problem ... uh ... in the future any more ...
 199 so, you can choose between these two solution ... the only thing
 200 that I can do now ... is one of this one
 201 B: being a construction company we don't make any
 202 trick with delay in payment or things
 203 like this since a construction company
 204 usually has to anticipate money
 205 S: uhuh
 206 B: ok? then it really doesn't help a delay in payment, ok? In
 207 my practice as a construction company
 208 when somebody asks me either to repair
 209 of to build up something ... I usually
 210 send an estimate cost, JUST TO AVOID ANY
 211 CONFLICT AT THE END ... this is a practice that you have not
 212 S: /yes but
 213 B: followed
 214 S: yes but
 215 B: /and I'm really surprised
 216 S: uh, uh I'm sorry, but you don't ask for it
 217 B: I mean
 218 S: /you only, you only told us, please send me someone because my
 219 machine doesn't work
 220 B: ok
 221 S: you didn't ask me for ... uh
 222 B: I didn't ask for it, but it's up to you to send two engineers and
 223 then charge me labour for 5,00 pounds and accommodation
 224 expenses for 2,000 pounds
 225 S: yes, I, I know that
 226 B: /It's not for me to chose
 227 S: you can be right, you can be right
 228 B: to chose the hotel that you have used or other things
 229 S: /listen, ... listen to me
 230 B: you must ask us for agreement
 231 S: listen to me, please, first it's impossible to understand what's
 232 wrong without sending any people there, ok? it's impossible to, to
 233 understand ... uh ... which is the problem speaking on the phone, I
 234 need to send some technical engineer there ... and ... uh ... I told
 235 you before that ... uh ... probably ... uh ... one,
 236 only one person is not enough BECAUSE HE KNOWS
 237 ONLY PART OF THE PROBLEM, PART OF THE EQUIPMENT, SO IT'S
 238 NORMAL ... UH ... TO SEND ... UH ... THERE ... UH ... TWO PEOPLE,
 239 TWO ENGINEERS
 240 B: yes
 241 S: I, I know they cost to much, BUT ... UH ... A NORMAL
 242 WORKER CAN'T REPAIR ANYTHING
 243 B: how do you know if you, you said that you don't have any idea of
 244 the kind of damage that my machine occurred? How, how
 245 S: /no, we had, we had an idea
 246 B: /(inaudible)
 247 S: because, because
 248 *(simultaneous talk)*
 249 S: just because you didn't ask for it
 250 B: so you mean
 251 S: /so this is
 252 B: that you think and I pay ... it's not normal practice in business
 253 that you think from England that I have a big damage in the, in

SIMULATION 8

- 254 the machine and then I pay ...
- 255 S: /but, but, I suppose you, you needed to repair in any case the, the,
- 256 the machine, so ... uh ... there is no way to, to ... uh ... to leave
- 257 them ... uh ... uh ... stopped ... I thought so, BECAUSE YOU
- 258 JUST ASKED US TO SEND SOMEONE TO REPAIR IT
- 259 B: yes, that wha, I just asked to have my machine repaired, ok? at
- 260 an acceptable cost that is a normal practice
- 261 in business BECAUSE I THINK YOU STILL ... YOU ARE STILL
- 262 THINKING TO CONTINUING, TO CONTINUE TO HAVE MY COMPANY
- 263 AS A CLIENT
- 264 S: of course
- 265 B: and of course, I would have accept, the normal costs that
- 266 usually your company called when the machine is in a
- 267 warranty period, and I'm not thinking, and I don't think that
- 268 you have this kind of cost otherwise I think that your ... uh ...
- 269 profit and loss account would be really in ... uh ... in red,
- 270 having this
- 271 S: /no I don't think so BECAUSE NORMALLY OUR
- 272 EQUIPMENTS ARE, ARE ... UH ... GUARANTEED FOR A LONG
- 273 PERIOD OF TIME, IT'S NOT NORMAL THAT ... UH ... THEY CAN
- 274 ... UH ... THEY CAN BE ... UH ... THEY CAN BREAK ... UH ... SO,
- 275 SO FREQUENTLY SO
- 276 B: /*(inaudible)*
- 277 S: so I, I can tell you there is the first time
- 278 that something that, that happens
- 279 B: let me tell you something ... usually warranty, any kind of
- 280 company, warranty (*inaudible*) understand he 10 percent of
- 281 the cost, of cost for the equipment
- 282 S: uhuh
- 283 B: so, IF I PAID 60,000 REALLY 6,000 WOULD BE THE NORMAL
- 284 COST FOR WARRANTY, NOT MORE ... so I am willing
- 285 to pay 6,000 pounds and not more
- 286 S: I think
- 287 B: I'm not willing to pay (*inaudible*)
- 288 S: /this is, this is
- 289 B: expenses
- 290 S: this is just impossible, I TOLD YOU THAT ... UH ...
- 291 WHAT I CAN DO IS TO, TO GIVE YOU A DISCOUNT AND TO CUT, TO
- 292 CUT OFF THE, THE TRAVEL AND, AND THE ACCOMMODATION
- 293 EXPENSE, AND I WILL CONSIDER IT ... UH ... AS A TRIP OF MY
- 294 ENGINEERS, OK, but ... uh ... don't ask me to ... uh
- 295 ... give you more, BECAUSE YOU KNOW ... UH ... I, I SPOKE
- 296 WITH MY LEGAL OFFICE AND THEY TOLD ME ... UH ... YOU SHOULD
- 297 PAY ALL ... UH ... THE WHOLE BILL BECAUSE WE DIDN'T HAVE ANY
- 298 ... ANY ... I DON'T KNOW HOW TO EXPLAIN YOU ... UH ... ANY MORE
- 299 GUARANTEE AFTER THE NORMAL PERIOD ... uh ... SO, THEY,
- 300 THEY TOLD ME YOU SHOULD PAY THE WHOLE SUM OF MONEY, but I
- 301 don't want to be so ... uh ... so hard with, with you and ... uh ... I
- 302 think ... uh ... it's a good, it's good for ... uh ... for us to, to, to
- 303 keep ... uh ... our relations for the future and I, I give you a
- 304 discount of 2,000, there is the expenses for travel and
- 305 accommodation
- 306
- 307 S: it's the maximum I can do
- 308 B: as, I mean, as I said, is ... uh ... the 6,000 that I am willing to pay
- 309 is just you agreed upon in ... uh ... deducting the cost of travel
- 310 accommodation expense and then we reach 8,400
- 311 S: uhuh
- 312 B: let's ... I'm going to pay for one engineer,
- 313 ok, that would have stayed here to
- 314 repair my car and then this would cut
- 315 the cost to 2,540 ... at the end we are
- 316 reach 6,250, that would be the amount
- 317 acceptable, BECAUSE IT WAS UP TO YOU TO SEND TWO

SIMULATION 8

- 318 ENGINEERS, I don't know why you need two engineers to
 319 repair the machine
- 320 S: BECAUSE ONLY ONE IS NOT ENOUGH ... THIS IS THE SIMPLE
 321 REASON
- 322 B: why, they work like the Italian soldiers that are called Carabinieri
 323 where
- 324 S: *(laughs)*
- 325 B: one thinks and the other works
- 326 S: no, I don't think the, that you need to
 327 mention the Italian ... uh ... people
 328 to, to solve the problem ... uh ... BECAUSE THE
 329 ONLY THING THAT WE, WE, WE COULD DO WAS TO REPAIR
 330 YOUR MACHINE AND TO REPAIR IT WE NEED, NEEDED TO
 331 SEND YOU ... UH ... TWO ENGINEERS ... UH ... ONLY ONE IS
 332 NOT ENOUGH
- 333 B: that was your decision to send
- 334 S: /no it was not
- 335 B: two engineers
- 336 S: our decision
- 337 B: you said that you have an idea of the kind of damage I had, you
 338 didn't send an estimate cost/
- 339 S: BECAUSE YOU DIDN'T ASK FOR IT
- 340 B: I didn't ask BUT I THOUGHT YOU WERE A SERIOUS
 341 COMPANY AS THE NORMAL ONES I KNOW THAT USUALLY SEND
 342 AN ESTIMATE COST, doesn't mean anything that I didn't ask
 343 for an estimate cost, so I think, one engineer, I would have
 344 asked for one person coming here repairing my car
- 345 S: /yes, but
- 346 B: what if you had sent 4 engineers ... all, all your staff
- 347 S: no, we don't need to
- 348 B: /would I still need to pay
- 349 S: we don't need to send, we don't need to send
 350 4 engineers
- 351 B: but you sent 2
- 352 S: BUT, BUT, 2 IS JUST THE RIGHT NUMBER OF PEOPLE
- 353 B: you sent 2 and I'm not willing to pay for one extra person
 354 coming here so...
- 355 S: /you, you can't say it's an extra person if the work needs two
 356 engineers to be repaired, there is no reason to send one, of course,
 357 I understand, you think it's too much but
- 358 B: *(inaudible)*
- 359 S: it's the only thing we could do
- 360 B: I'm not
- 361 S: /if you wanted the machine to be repaired, of course, if you
 362 don't want, ok
- 363 B: but
 (recording interrupted)

SIMULATION 7

191 making a comparison with other contracts ...
 192 uh ... but ... uh ... most important thing now is that ... uh ...
 193 we have a problem to solve, so ... uh ... we are very happy of
 194 the, of your machine, we are very happy with the service you
 195 gave, you gave us, your firm gave us ... uh ... and we have this
 196 problem that is I think quite stupid because I think ..
 197 S: yeah
 198 B: WE
 199 S: /inaudible)
 200 B: DON'T WANT TO ... UHM ... TO BREAK THE GOOD RELATIONSHIP
 201 BETWEEN OUR FIRM AND YOUR FIRM. So, I think that
 202 we can find a good compromise and
 203 S: I'm sure
 204 B: ... uh ... starting from this invoice I
 205 think we can, we can ... uh ... make our
 206 points of views
 207 S: /yeah
 208 B: meet
 209 S: but I mean, taking ... uh ... analysing (*laughs*) we can say this
 210 invoice which are the items which you, you don't agree should
 211 be paid by your firm and which are ...
 212 B: /yes. I, I think that it's right for us to pay, for instance the
 213 parts. the components you replaced of this machine and of
 214 course, travel and accommodation expenses, we know, we are
 215 aware that the travel is long from Italy ... uhm ... from Britain
 216 to Italy ... and the administration fee that is basic for, for this
 217 kind of transaction, and ... uh ... I have ... uh ... I have some
 218 problems about the other items
 219 S: well, ... as ... uh ... I'm, I'm sorry about it (*laughs*) but the
 220 parts, OBVIOUSLY, AS YOU SAID, is ... must be paid
 221 BECAUSE WE PAID THEM and also as far as concern the carriage
 222 and the labour, I'm sorry but I can't absolutely ...

223 uhm ... take them off from the invoice
 224 BECAUSE YOU KNOW THE CARRIAGE WE HAD TO PAY SOMEONE
 225 AS FROM TRANSPORT COMPANY, SO IT'S NOT US WHO MADE THE
 226 CARRIAGE SO WE HAD TO PAY THIS KIND ... THIS KIND OF FEE,
 227 so we can't ... uh ... I'm sorry keep it
 228 off, and also as far as concerned the labour, you know, the
 229 labour ... uh ... we had to pay two technicians for this kind of
 230 job and they're quite expensive, they're not services in the ...
 231 you know ... in the concept of ... uh ... of after sales services
 232 the services may ... there ... the labour is something else, is ...
 233 uh ... the after sales service is something maybe you can't ... uh
 234 ... define and ... uh ... define in a strict way and ... uh ... for
 235 example, in ... we can afford ... if you want,
 236 the travel and accommodation expenses BECAUSE
 237 IT'S UP TO US HOW WE SEND THESE TWO TECHNICIANS TO ITALY,
 238 but absolutely, I can't absolutely
 239 B: /listen
 240 S: cancel the labour
 241 B: let's try and find a, let's try and find a
 242 solution BECAUSE WE HAVE TO FIND IT ... UH ... I HAVE
 243 PRECISE INSTRUCTIONS BECAUSE ... UH ... WE TOO HAVE, HAVE
 244 SOME RULES THAT WE RESPECT, so ... uh ... we have
 245 to ... uh ... to take a decision, final
 246 decision BECAUSE ... UHM ... WE CAN PAY THIS INVOICE
 247 COMPLETELY BUT THERE WILL BE, I'M SORRY BUT THESE ARE MY
 248 CONDITIONS, THERE WILL BE NO FUTURE RELATIONSHIP
 249 BETWEEN OUR FIRM AND YOUR FIRM, AND I THINK IT'S A PITY, A
 250 REAL PITY ... UH ... AND THESE ARE THE CONDITIONS I HAVE TO
 251 CARRY ON, so,
 252 S: /but, you know
 253 B: yes?
 254 S: no, no. finish your ... (*laughs*)

SIMULATION 7

- 255 B: if we can find, find a good compromise now,
 256 I think that my firm will be happy to go on
 257 with our relationship
- 258 S: I'm sure about it, but ... uh ... you know, it's ... uh ... it's not
 259 easy ... uh ... what I was saying is that if I accept not to pay
 260 the, to pay, to afford the expense of the labour
- 261 B: uhuh
- 262 S: it would the first time we can say, maybe other company could
 263 ask us the same thing. So, imagine if you had, if you should
 264 have to pay the labour for all the after sales services. It would
 265 be an
- 266 B: /I don't think
- 267 S: incredible high amount of money
- 268 B: I don't think this could be the right solution. I was thinking that
 269 with more precise conditions, with clear ... uh ... with clearer
 270 definition of condition of our contract, and so on, we ... uh ... we,
 271 we can start a new relation based upon
- 272 S: /yeah, let's suppose in the meantime
- 273 B: for the future
- 274 S: yeah, yeah as far as concern the future, let's, let's suppose that
 275 we are, we will find ... uh ... uh ... right compromise
- 276 B: yes
- 277 S: a fair compromise
- 278 B: yes
- 279 S: as far as concern the invoice and in that we're going to, to keep
 280 our relationship, you know our, MY FIRM IS REALLY ... UH ...
 281 WANTS TO, TO, TO CONTINUE
- 282 B: yes
- 283 S: THIS RELATIONSHIP so I'm not here to say "no
 284 absolutely we're not moving away from our
 285 position and we won't work together any
 286 more", it's not my position, but, you know, so, let's
- 287 concentrate on, on the, on the, on this, on this invoice and let's
 288 find
- 289 B: yes
- 290 S: let's
- 291 B: /yes. I have to
- 292 S: try to find
- 293 B: do this too so I, I have to concentrate on
- 294 S: /*(inaudible)*
- 295 B: this paper, but I think we, we should find a solution that ... uh
 296 ... warrant you from, from
- 297 S: /I, I made my proposal
- 298 B: from rates and damage
- 299 S: I make my proposal and
- 300 B: yes
- 301 S: that what I said, we can afford ... uh ... all the expenses
 302 concerning travel and accommodation but as far as
 303 concern the other ... uh ... will be really,
 304 really impossible for us to, to ... to
 305 afford them BECAUSE THEY ARE NOT, YOU KNOW ... WE
 306 HAVE ALREADY PAID FOR ALL THESE THINGS so it would
 307 be
- 308 B: yes, if you can make a discount about labour, we can take a
 309 charge of parts, carriage and not labour. But I need, I need
 310 *(laughs)* a small
- 311 S: no, as far as concern the labour for me, it's
 312 really impossible, YOU KNOW TWO TECHNICIANS OF
 313 ENGINEERING, THEY, THEY COST A LOT ... uh ... the maximum
 314 is, I think I can ... agree is maybe, we can afford ... let's say
 315 travel and maybe carriage but not more, absolutely not more
- 316 B: so ... uh ... we have parts, labour and administration fee
- 317 S: and fee ... and ... uh ... but no, not more, I ABSOLUTELY CAN'T
 318 DO ANYTHING ELSE, AND ALSO ACCEPTING THIS KIND OF

SIMULATION 7

319 AGREEMENT IS, FOR ME IT WILL BE SOME TROUBLE, IT'S JUST
 320 BECAUSE REALLY HOPE THAT IN THE FUTURE WILL CONTINUE
 321 B: /yes. ... excuse me I didn't understand, parts, we have to pay
 322 S: yes
 323 B: parts, for labour, for the administration fee
 324 S: and oil and fuel and we can ... and carriage, that's uh
 325 B: /oil and fuel are not included in the carriage?
 326 S: no, they're extra, I'm sorry
 327 B: and carriage will be ... uh ... for, for us or for you?
 328 S: IT WOULD BE BETTER IF IT WOULD BE FOR YOU BECAUSE YOU
 329 KNOW, FOR ME IT WOULD BE QUITE A LOT, YOU KNOW, I TAKE
 330 YOU OUT MAYBE 2,000, NO, MAYBE, YEAH, 2,000 ... UH ...
 331 POUNDS, so it's quite a lot, so, it's ... we
 332 can say up to 20% is, it's, it's quite a lot
 333 B: I think we can, we can afford parts ... uh ... and labours if
 334 these are yours condition, your conditions and administration
 335 fee but I think I be, I will have some serious problems about
 336 carriage, fuel and travel, we were ... we could
 337 S: /as I told you, as far as concern travel expense and
 338 accommodation, it's up to us, so ... but the carriage,
 339 fuel ... as I told you, they're not, it's
 340 not our truck, WE HAD TO PAY SOMEBODY ELSE TRUCK.
 341 So, if ... it had been our truck you know it would
 342 B: /we could pay for, for, for labour, for carriage and fuel and
 343 administration fee and not for the parts that are yours
 344 S: uh ... no, no, you know the parts are, the
 345 parts and labour are the two things we
 346 absolutely can't ... uhm ... cancel from the
 347 invoice ... AS I TOLD YOU, THE MAXIMUM I CAN ACCEPT IN
 348 AFFORDING THE CARRIAGE EXPENSES AND THE TRAVEL, THAT'S
 349 THE MAXIMUM I CAN DO. YOU KNOW, OTHERWISE I WOULD BE
 350 (LAUGHS) RESIGNED

351 B: uh I can, I can ... uh ... make this proposal to my major and
 352 my, I don't know if they will agree
 353 S: /but you know if actually if you, they should. IT'S MORE
 354 THAN 20% DISCOUNT, SO, IT'S REALLY QUITE A LOT ... ON ...
 355 UH ... ON AN INVOICE YOU SHOULD HAVE PAID ... UH ...
 356 ENTIRELY, so, you have to consider that, I'm
 357 doing to you really a great favour, an
 358 enormous discount, It's ... UH ... AND OUR COMPANY
 359 CAN'T AFFORD MORE THAN THIS, it's, it's just
 360 because we really would like to continue our
 361 relationship with you
 362 B: /I hope so
 363 S: but also
 364 B: I hope so BECAUSE, BECAUSE THERE'S NO ALTERNATIVE, WE
 365 HAVE TO, HAVE TO ... AGREE ABOUT PARTS, ABOUT FUEL,
 366 ABOUT LABOUR AND ADMINISTRATION FEE, but I, I think that
 367 my, my firm will be, will not be so happy to hear
 368 S: /but more
 369 B: these things
 370 S: than this we would ... uh ... we would loss money and
 371 B: /unfortunate this problem was born from ...
 372 uh ... not a mistake, a misunderstanding
 373 between us BECAUSE WE, WE DIDN'T HAVE THE RIGHT BASIS
 374 TO
 375 S: /but we, we, you could, should have asked if, if you weren't,
 376 weren't sure about what after sales services mean you could ask
 377 us
 378 B: /as, as I told
 379 S: but now more than this I can't absolutely, can't cancel other
 380 expenses, other items from this invoice
 381 B: /as I was telling you, I was making a comparison
 (Instructor stopped negotiation)

SIMULATION 8

SIMULATION 8 - (time 22' 21")

- 1
2 B: start first/
3 INSTRUCTOR: whoever wants to start
4 S: uh ... ok, so ... uh ... Mr. N, I, I received your ... uh ... uh ...
5 invoices last week, and ... uh ... uhm ... I think it's
6 impossible to ... uh ... to find a solution
7 in, in the sense you, you are speaking about
8 ... uh ... BECAUSE, YOU KNOW ... UH ... THAT THE ... UH ... THE, THE
9 REPAIR OF THE MACHINE COSTED US MORE THAN 10,000
10 (recording interrupted)
11 S: SO ... UHM ... YOU KNOW, YOU KNOW THAT, THAT THE PERIOD
12 OF THE, THE WARRANTY ... I don't remember what the, the word ...
13 uhm ...
14 B: guarantee
15 S: THE GUARANTEE ... UH ... IS, WAS OVER ... UH ...
16 SINCE TWO WEEKS BEFORE ... uh ... SO ... I'M SORRY BUT I THINK
17 THERE IS NO REASON TO, TO REFUSE ... UH ... TO PAY THE, THE
18 SUM ... so ... what, what do you think about ...
19 B: really, I was very surprised in receive this
20 huge amount for the repair, for ... uh ...
21 three reasons ... FIRST IS COMMON USE THAT ... UH ... WHEN
22 A PERSON RECEIVE AN INVOICE OF SUCH AMOUNT OR WHEN A
23 PERSON ASK FOR A REPAIR SERVICE ... HAS GOT TO RECEIVE AN
24 ESTIMATE COST, THAT CAN COVER A MINIMUM OR A MAXIMUM
25 THAT CAN BE CHARGED ... TO THE CLIENT ACCORDING TO THE ...
26 DAMAGE OR REPAIR THAT HAS GOT TO BE MADE ON THE MACHINE
27 ... THEN AS FAR AS I KNOW IS COMMON PRACTICE IN ALL
28 COMPANIES THAT ... UH ... USUALLY SELLS THIS KIND OF MACHINE
29 S: uhuh
30 B: THAT DESPITE OF THE FACT THAT WARRANTY HAS BEEN EXPIRED,
31 BUT THERE IS A POLICY, THAT CAN COVER ... UH ... A PERIOD
32 S: uhuh
33 B: UH ... A PERIOD OF SALES SERVICE THAT CAN COVER ANY KIND OF
34 DAMAGE THAT CAN, THAT THE MACHINE CAN OCCUR
35 S: after the, the ...
36 B: /USUALLY
37 S: warranty period
38 B: IS NORMAL THAT, THIS DOES NOT MEAN THAT CAN COVER THE
39 COMPLETE COST but I think it's your interest to find out
40 B: /of course
41 S: /yes but if there is something that does not work in your product
42 and then can extend the period of the warranty
43 S: yes
44 B: /this is usually
45 S yes of course but
46 B: normally called (*inaudible*)
47 S: BUT THIS HAS ... UH ... HAS TO BE ... UH ... UH ... SUBSCRIBED
48 BEFORE ... UH ... YOU, YOU DIDN'T ACCEPT ANY ... UH ... ANY
49 MORE ... UH ... GUARANTEE ... UH ... BEYOND THE GUARANTEE
50 PERIOD SO ... UH ... now there is no reason to ...
51 to refuse the payment of the ... the invoice
52 B: I'm not pre, I'm not discussing about paying or not paying
53 I'm just pointing out that there was ... uh ... let me say ... uh
54 ... a complete charge made by you without finding in
55 advance if the customer was willing to pay this amount
56 S: uhuh
57 B: ok? the, let me say that I was willing to receive an estimate cost
58 S: uhuh
59 B: I thought that a company of ... uh ... your size might have a
60 sales service college also after the warranty expiration
61 period, then, I was not expecting to receive, to have two
62 engineers in order to repair this machine, I was just

SIMULATION 8

63 wondering if a worker might have repaired this machine at
 64 less cost ... so without my approval
 65 S: uhuh, uhuh
 66 B: you sent two engineers that I think they have a nice fare if
 67 compared to a worker, and ... uh ... without my approval ... I ask
 68 to repair ... what's happen if you have sent your managing
 69 director to repair
 70 S: /yes, I can
 71 B: this machine
 72 S: I can understand
 73 B: /(inaudible) of your managing director
 74 S: I, I can understand your point but ... uh ... YOU KNOW THAT
 75 OUR, OUR ... MACHINERY IS VERY ... UH ... PRECISION
 76 EQUIPMENT, so, ... UH ... IT'S IMPOSSIBLE FOR US
 77 TO REPAIR IT WITHOUT ... UH ... SENDING ... UH
 78 ... SPECIALIZED ... UH ... PEOPLE, AND SO ... UH
 79 ... EVERY, ANY OUR ENGINEER IS SPECIALIZED IN ONLY
 80 ONE KIND OF ... UH ... WORK, SO WE ...
 81 normally we send two ... uh ... TO BE SURE THAT
 82 THEY CAN FIND THE PROBLEM AND SOLVE IT, so we
 83 thought to ... uh ... to, to make
 84 something right for you sending two
 85 engineers BECAUSE WE WANT THAT ... WE LIKE OUR
 86 CLIENT ... UH ... UH ... THEY HAVE TO BE VERY SATISFIED
 87 OF OUR SERVICE
 88 B: I'm completely satisfied for the repair, I not satisfied for the
 89 billing
 90 S: yes I know but ... uh ... you know that ... uh ... there is no
 91 way to reduce the cost, WE ARE SPEAKING ABOUT VERY
 92 ... UH ... IMPORTANT ... UH ... EQUIPMENT ... uh ... so, you
 93 know that they cost very much and probably
 94 ... uh ... uh ... they cost also to, to

95 be repaired
 96 B: I agree with you but I paid 60,000 pounds for a, in order to buy
 97 this equipment and then I have to pay 10,000
 98 S: Yes, I, I
 99 B: pounds
 100 *(simultaneous talk)*
 101 S: I, I think that in the future ... uh ...
 102 B: /it's more or less about 50% of the cost
 103 S: yes, of course, this is
 104 B: /what about if I have to incur this cost for other five times?
 105 S: this is, this is the second reason why I, I can't accept to ... uh ... to
 106 ... uh ... I can't accept any, any other payment
 107 instead of this one, BECAUSE YOU CAN IMAGINE THAT IF
 108 I MAKE ... UH ... I GIVE A DISCOUNT LIKE THIS TO ANY ... UH ...
 109 CLIENT WITH THE SAME PROBLEM ... UH ... I WILL CLOSE MY
 110 COMPANY (LAUGHS) IN TWO OR THREE MONTHS ... uh ... I think
 111 that in the future I will speak with my legal office and we'll try to
 112 ... uh ... to prepare ... uh ... uh ... something to, to ... uh ... have
 113 a period of ... uh ... uh ... sales assistance after ... uh ... the
 114 normal guarantee period but in this case ... uh ... there was no ...
 115 uh ... there was any ... uh ... there was not something like that. I
 116 think that we can try to ... uh ... find and agreement ... uh ... only
 117 for this case, in the future we will have, I hope we will have
 118 another policy for this kind of problem
 119 B: just let me finish ... uh ... I, I really wonder the amount that
 120 you would have spent if the damage had occurred in a
 121 warranty period ... uh ...
 122 S: uhuh
 123 B: so
 124 S: /you want to know
 125 B: /it would
 126 S: the amount

SIMULATION 7

SIMULATION 7 - (time 23' 14")

1 B: so ... uh ... nice to meet, meet you. I'm A.P. and in charge of
 2 this ... uh ... small problem. May I ..
 3 S: /my name is Mrs L and ... uh ... I represent British, a British
 4 company and ... uh ... I know we that we meet ,we
 5 are going to discuss, we are, we are meeting
 6 to solve a, a little'problem
 7 B: yes ... yes
 8 S: BECAUSE I HOPE THAT IN THE FUTURE WE'LL CONTINUE TO HAVE
 9 ... UH ... OTHER OCCASION TO, TO MEET EACH OTHER AND ...
 10 MAYBE ... IN ANOTHER SITUATION. So I ...just ... uh
 11 B: /yes. if, if I can ... first of all I want to
 12 ... apologize for my awful bad English and
 13 after for my asking you to come here because
 14 ... it's a long journey. So, I'm sorry BECAUSE
 15 THIS, THIS IS A SMALL PROBLEM ..
 16 S: yeah, but ... don't worry. I, I've, I received your letter
 17 B: yes
 18 S: and ... uh ..
 19 B: yes. So you've been told
 20 S: (inaudible) yeah,I've been told from my administration bureau
 21 about the problem and I ... uh ... so, I thought it was
 22 important AS YOU ARE A NEW CUSTOMER to, to come
 23 here, to meet each other and try and solve
 24 the problem ... in ... in a friendly way, we
 25 can say
 26 B: yes, I hope so too *(laughs)*
 27 S: so, it's...you know legally is ... the, the
 28 contract is there and ... uh ... we actually, YOU
 29 ACTUALLY SIGNED A CONTRACT WHICH ... UH ... AND THE
 30 AGREEMENT WAS THAT WITHIN TWO YEARS YOU ... WE WOULD

31 HAVE REPAIRED THE MACHINE FREE OF CHARGE
 32 B: yes
 33 S: but you know the time has passed and so ...
 34 one year, sorry, it's one year
 35 B: yes
 36 S: (inaudible)
 37 B: the warranty run out, I, I know the, this fact ... uhm ... I, I
 38 must, I must say that say we were very ... uh ... uh ... this ...
 39 THIS MACHINE WAS VERY GOOD ... IT HELPED US A LOT, so
 40 WERE, WERE VERY HAPPY TO HAVE ... pardon me, my English is
 41 really rusty *(laughs)*, and ... uh ... so we were really
 42 sorry when this machine broke down and ... uh ...
 43 FOR US IT WAS VERY IMPORTANT AND VERY URGENT TO HAVE IT
 44 REPAIRED, FIXED UP SOON, AND WE WERE REALLY HAPPY OF
 45 YOUR COMING HERE EARLY AND ... UH ... RAPIDLY, so, your
 46 service has been of completely satisfying
 47 and nothing ... uh ... to tell about it ... the
 48 only thing I have to do about it is ... uh ... that the contract, we
 49 are speaking about ... uh ... was not so clear about ... the ... uh
 50 ... not about the warranty condition. They were
 51 completely evident and clear, but ... uh ... uh ...
 52 about, about the after sales services, BECAUSE I WAS SURE, WAS
 53 REALLY SURE THAT EVERY AFTER SALES PROBLEMS WOULD BE
 54 SOLVED IN A DIFFERENT WAY and ... uhm ... if ... uh ... if uh
 55 ... pardon me ... if we had taken look to this invoice we have
 56 differents, different items ... uh ... if compared with what I was
 57 sure was included in the after sales service, after sales contract
 58 S: but, what, would ... you ... maybe we didn't understand in the
 59 same way what we mean by after sales services ... uh ..
 60 B: yes, in fact, it
 61 S: /maybe you misunderstand,
 62 B: was not so clear about this

SIMULATION 7

63 S: misunderstood the
 64 B: /yes, I think so, I think so
 65 S the, the, the contract BECAUSE IT WAS QUITE
 66 CLEAR. You know, what did you, what did you expect for
 67 after sales services?
 68 B: uhm ...the contract about them was ... wasn't so clear ... there
 69 were ... some ... something I, I thought was, was true and ...
 70 uh ... now that we have your coming here ... uh ... of ... uh..
 71 S: /but which, which items were you referring to?
 72 B: FOR INSTANCE, FOR INSTANCE, THE INVOICE INCLUDED, IT
 73 INCLUDES, SO (LAUGHS), IT INCLUDES ITEMS ABOUT ... UH ...
 74 THE PARTS, CARRIAGE, FUEL, THE LABOUR, TRAVEL AND
 75 ACCOMMODATION, so it included a lot of items,
 76 and as we understood before when we bought this machine ...
 77 uh ... the contract didn't talk about all these items ..
 78 S: /but the items
 79 B: (inaudible)
 80 S: can ... what we mean for a ... uhm ... for the, for our service,
 81 after sales services ... uh ... is ... uh ... that we guarantee that
 82 we arrive in the,
 83 B: yes
 84 S: the time you need
 85 B: yes
 86 S: also with a prompt ... uh ... help
 87 B: yes
 88 S: and ... uh ... and we promptly substituted the parts which are
 89 getting wrong
 90 B: yes
 91 S: but you know, as far as concern the costs we
 92 can't afford the, all the costs included in
 93 an after sales service. YOU KNOW WE HAVE, WE
 94 HAVE GOT A LOT OF, OF CUSTOMERS, WE SHOULD AFFORD ALL

95 THE COSTS, IT WOULD BE IMPOSSIBLE
 96 B: /in fact, I completely agree with you
 97 S: so you know the after sales services is a
 98 services that we give you, the services is
 99 the fact we arrived on time
 100 B: /inaudible)
 101 S: we are prompt with our arrival, we bring with us all the parts
 102 we need, and this is the services that actually some companies
 103 ... ask ... ask for these services to be charged, also just to come
 104 B: yes
 105 S: you know so is always something you have free of charge, there
 106 is always the services and as far as concern ... you know ...
 107 parts we had to bought them
 108 B: yes, (inaudible)
 109 S: it can't be free
 110 B: yes, I agree with you, in fact IT'S IMPOSSIBLE FOR YOU, I
 111 understand, TO ... UH ... TO TAKE ALL THESE EXPENSES AND IT'S
 112 RIGHT ...BESIDES WE BOTH KNOW THAT ... UH ... THE WARRANTY
 113 HAD RUN OUT, so, it's perfectly correct what
 114 you're saying. I agree with you, the only thing I say that
 115 ... uh ... this part of the contract had to be
 116 ... uh ... clearer and more evident BECAUSE
 117 WHEN WE ASKED YOU FOR ... UHM ... FOR YOUR COMING HERE
 118 AND HELPING US ... UH ... WE ... WE EXPECTED A DIFFERENT,
 119 DIFFERENT CONSEQUENCES, ECONOMIC CONSEQUENCES, AND
 120 YOUR TECHNICIANS THAT CAME HERE, DIDN'T TALK US ... UH ...
 121 DIFFERENTLY SO WE WERE
 122 S: /yeah but you know ...
 123 B: PERSUADED ABOUT ONE THING AND NOT ANOTHER. So, I ...
 124 I think that ... uh ... we really have to
 125 take some of these expenses ... uh ... BECAUSE
 126 IT'S RIGHT, BUT NOT EVERYTHING BECAUSE IT WAS NOT TOO

SIMULATION 7

- 127 CLEARLY INCLUDED
- 128 S: /you know, maybe if we ... uh ... maybe in England ...
- 129 anyway, we think you usually that for ... uh ... for after sales
- 130 services, also the companies mean that kind of services, and you
- 131 know technicians didn't say anything BECAUSE
- 132 IT'S NOT THEIR JOB, THEY, THEY JUST CAME TO REPAIR THE
- 133 MACHINE AND THEY DON'T CARE, ACTUALLY IF, IF THEY ...
- 134 BECAUSE IT'S OUR COMPANY WHICH PAYS THEM, SO, THEY,
- 135 THEY DON'T CARE IF YOU HAVE TO PAY THEM OR OUR COMPANY,
- 136 so, they just come and do their job so
- 137 that's why
- 138 B: /yes, yes. I understand your point of view
- 139 S: maybe ... the person you contact when the machine broke down
- 140 should have told you
- 141 B: /yes, in fact
- 142 S: remember all the
- 143 B: we were not discussing this service, BECAUSE
- 144 S: /no, no
- 145 B: AS I TOLD YOU BEFORE
- 146 S: it was maybe it was ... uh ... when you contact us for, when the
- 147 machine broke down,
- 148 B: uhuh
- 149 S: the person, the customer service should have told you "please
- 150 remember that
- 151 B: /yes not, not, not only
- 152 S: the sales service is not free of charge
- 153 B: BECAUSE I THINK THAT ... UH ... WHEN WE, WE BOUGHT, WE
- 154 BOUGHT THE MACHINE, THE AFTER SALES CONDITIONS SHOULD
- 155 HAVE BEEN CLEARER BECAUSE ... UH ... UNFORTUNATELY, THIS
- 156 ACCIDENT HAPPENED AFTER THE RUNNING OUT OF THE
- 157 WARRANTY
- 158 S: (laughs) yes, always like that
- 159 B: (laughs) yes, so, I ... I say then that we ...
- 160 uh ... certainly, we, we will pay part of
- 161 these costs BECAUSE IT'S RIGHT
- 162 S: but ... uh ... as I've told you before, it's very difficult to make
- 163 a list of services ... uhm ... you know, it's very difficult to
- 164 make a list of all services that can be ..
- 165 (Recording interrupted)
- 166 S: ok, as you know, we were talking about a clearer clause in the
- 167 contract about what we mean for after sales services, what I
- 168 ... I was telling to you is not easy to make
- 169 a list of all ... items that can be included
- 170 in a invoice for an after sales services no,
- 171 BECAUSE, SEE, THINGS ARE SO DIFFERENT BECAUSE ... UH ... IF
- 172 YOU MAKE A LIST MAYBE YOU ALWAYS MISS SOMETHING AND
- 173 THEN ANOTHER MISTAKE OR MISUNDERSTOOD CAN OCCUR
- 174 ABOUT ... UH ... THE LIST, BECAUSE MAYBE WE CAN PUT A
- 175 SERIES OF ITEMS AND WE CAN PUT, MISS SOME OF THEM, MAYBE
- 176 CAN HAPPEN, SO, IS NOT EASY TO, TO DO THESE THINGS, SO,
- 177 WE JUST PREFER JUST TO SAY THAT AFTER, WE GUARANTEE AFTER
- 178 SALES SERVICES, BUT YOU KNOW, ALL THE EXPENSES ARE NOT
- 179 ... UH ... WE DON'T AFFORD THOSE KINDS OF EXPENSES, SO,
- 180 maybe, I don't know ..
- 181 B: so ... uh ... look, I speak basing myself on other contracts,
- 182 other relationships with other firms like your firm and generally
- 183 ... uhm ... WE HAD CLEARER CONDITIONS FOR EVERY PART OF
- 184 THE CONTRACT, so, even for after sales
- 185 service, especially about ... uh ... some of
- 186 these items, the more important of, of them
- 187 BECAUSE I KNOW THAT ... UH ... ALWAYS HAPPENS SOMETHING
- 188 THAT YOU CAN'T FORESEE, THAT YOU CAN'T THINK WILL
- 189 HAPPEN, BUT THERE ARE SOME ITEMS YOU HAVE TO, TO THINK
- 190 ABOUT ... and ... so I'm, I'm making a com, I'm

APPENDIX D - TAPESCRIPTS

B = Buyer S = Seller

SIMULATION 1A - (time 21' 54")

1 B: nice to meet you
2 S: and you ... yes
3 B: and ... uh ... uh ... uh ... we are very happy ... uh ... of the
4 purchase ... of ... uh ... an earth machine ... just a moment ...
5 S: yes, that's right
6 B: machine from you company
7 S: thank you
8 B: ... and ... uh ... we ... uh ... chose ... uh ... that machine in report
9 with the price for the machine. We studied for a very long time
10 S: yes
11 B: what was the, the best choice ...
12 S: uhuh
13 B: (*inaudible*) ... and ... uh ... we have chosen your company and
14 your products
15 S: uhuh
16 B: and we are happy but ... unfortunately ... uh ... we have ... uh ...
17 a little accident ...
18 S: uhuh
19 B: and ...uh ...one of the machine that we bought ..
20 S: uhuh
21 B: ... from you, ... uh ... broke, has broked ... but only after two
22 weeks after ...
23 S: after the warranty had expired ...
24 B: the warranty expired
25 S: yes, ye
26 B: this is, this is the problem
27 S: uhuh
28 B: and ... uh ... but ... uh ... I can assure you that the, that machine
29 ... uh ... was used in the best way following your own rules
30 S: uhuh
31 B: and prescriptions ... and ... uh ... from our ... uh ... our, from our
32 ... operators
33 S: uhuh
34 B: yes ... and .. uh ... uh ... but we have ... uh ... this
35 kind of accident in a, in a , in a, in a
36 not explicable way
37 S: uhuh
38 B: SUDDENLY ... AND ... WITHOUT ANY SIGN BEFORE THE ACCIDENT
39 S: uh ...uhuh uh
40 B: the accident
41 B: yes .. then ... uh ... we asked ...uh ... support of ... your ... uh ...
42 assistant service
43 S: uhuh
44 B: and, uh , uh ... two persons came in Italy to repair the, the, the
45 machine, and then, then the machine runs very well
46 S: I'm glad to hear it (*overlap - inaudible*) ... it ... uh ... I, I can
47 assure you that it'll run, completely, absolutely well for
48 (*laughs*) the rest of the time (*laughs*)
49 B: for, for ...uh ... but at the same time ..
50 S: uh
51 B: .. we received ...uh ... from you ... an invoice and ...uh ...
52 that's an invoice ...uh ... well, not, not

SIMULATION 1A

53 very cheap (*laughs*) not, not ... BECAUSE IT'S AN INVOICE OF
 54 THE .. THE .. ABOUT ONE SIXTH OF THE VALUE OF THE WHOLE,
 55 ENTIRE MACHINE ..
 56 S: uhuh
 57 B: (*INAUDIBLE*) ... ABOUT 6,000 POUNDS OF THE ... OF THE PRICE
 58 THAT WE PAID FOR THE MACHINE
 59 S: uhuh uhuh
 60 B: ... and ... uh ... now I have some, I have some
 61 problem
 62 S: uhuh
 63 B with my direction, with my general
 64 manager BECAUSE HE IS ... UH ... A LITTLE ANGRY (*laughs*)
 65 S: /yea, can I, can I
 66 B he is a little angry ... BECAUSE ... UH ... HE ASKED
 67 TO ME WHY ... IT HAPPENED ... THIS PROBLEM
 68 S: let, let, let me say that all the items on this invoice
 69 are perfectly ... uh ... uhm ... well,
 70 documented
 71 B: yes, I'm sure
 72 S: there's no ...uh ... you know, PARTS, COST WHAT THEY COST ...
 73 UHM ... CARRIAGE AND FUEL AND SO ON ... UH, LABOUR COSTS
 74 UNFORTUNATELY AS YOU KNOW ARE WHAT THEY ARE
 75 B: uhuh
 76 S ... UHM ... AND ... UH ... OBVIOUSLY THE TRAVEL AND ...
 77 ACCOMMODATION WAS
 78 B: (*inaudible*)
 79 S: ...UH... INEVITABLE, so ... (*clears throat*) ... so,
 80 it's not as if the, the figures on this can
 81 be, can be, can be touched in any way, BUT
 82 THEY ARE WHAT THEY ARE ... uhm ...
 83 B: yea
 84 S: uhm

85 B: I'm sure, but the problem is not that the invoice is correct or not
 86 correct ..
 87 S: uhuh
 88 B: that invoice is sure is correct (*laughs*), but the problem is how to
 89 demonstrate to my general manager that ... uh ... the choice that
 90 we take in the past, we took in the past was the right cho, choose
 91 S: uhuh
 92 B: and ... uh ... now it's very, I am in big difficulties to explain ... uh
 93 ... why only two weeks after the warrancy expired
 94 S: uhuh
 95 B: ... uh ... we have that problem ... and ... uh ... you know probably
 96 that we are looking for ... uh ... uh ... other purchases in the same
 97 field
 98 S: uhuh
 99 B: and we want, we want in the future ... uh ... buy other ...uh ..
 100 S: /you, you want
 101 B /more, more
 102 S: our companies to continue
 103 B: yes, yes ... and ..
 104 S: /yes, and that's the same obviously for us
 105 B: and and I want and I want and I want and I want to explain to,
 106 and I want to say to my general manager that the ... uh ... the
 107 choice that we take, we took in the past could be take ... could be
 108 taken ..
 109 S: yes
 110 B: ... in the future too ..
 111 S: I understand
 112 B this is, this is the problem BECAUSE UH...
 113 CERTAINLY ... UH ... WE ARE SURE THAT ... UH ... WE, WHERE WE
 114 USED ... UH ... UH ... THIS MACHINE IN A CORRECT WAY ... HAS
 115 BEEN A CORRECT WAY ... and ... uh ... if I can't give to my general
 116 manager complete ... reasons

Simulation 8

In simulation 8 one of the participants asks the instructor to move the context from the real world to the simulated one. When this help is withheld the other participant starts by immediately stating his position on the payment of the invoice; something one would expect much later in the event (compare for example simulation 1A in which the 'feeling out' phase lasts up to line 330, with agreement being reached shortly after that in 372), once again, without the slightest trace of an I-element. This opening highlights quite nicely the sensation of 'flatness' mentioned earlier that was felt when the data was first looked at. The subtlety, manoeuvring and most of all, the development of cognitive dissonance through the development of personal credibility (Atkinson 1990) is completely absent here, as in all the other openings.

4.2.2 THE MACROSTRUCTURAL D/E BOUNDARY

Not surprisingly this boundary fitted the findings of Charles's rather closely (see 2.3.2.2.3. THE MACROSTRUCTURAL D/E BOUNDARY). The features listed were found in the simulations and I will thus not deal with the D/E boundary any further. The problem of which frame the participants were in was obviously not present, and once the activity was wound up with an agreement (except simulation 7 which was heading towards a deadlock), the transition to reality was made by simply switching off the taperecorders or metacommunicating about the simulation itself, eg 3B.

423 S: it was nice

424 B: that was nice

4.3 ANALYSIS 2 - MARKED DISAGREEMENT IN SIMULATED NEGOTIATIONS

As mentioned in Chapter 2, the same criteria used by Stalpers (1985) to identify mitigation in disagreement in authentic negotiation were used to analyse the data. Since simulations 1A, 2A, 3A, 4A, 5, 6, 7, and 8 were based on the same simulation brief (simulation A - Earthworks) these were chosen for the analysis of the data. The results, though the sample is somewhat limited, (see Appendix B, tables 2 and 3) revealed interesting differences. In the authentic business negotiations Stalpers (1995:275-289) found 59 disagreement sequences, 49 (84%) of which were mitigated. The simulated data on the other hand revealed very different results. Of the 60 disagreement sequences found, only 32 (53.3%) were mitigated.

In order to understand the findings better it was decided to submit the results to statistical analysis. The Mann-Whitney Test was chosen as this test is reliable on small samples when comparing the median of two populations. In the Mann-Whitney Test, $p < 0.05$ is considered to be significant; the two-tailed p value of 0.0121 which the analysis revealed was thus considered significant.

Whether one understands the cases of marked disagreement as instances of mitigation or equivocation, or even more simply, 'negotiation strategy', does not alter the fact that the use of marked disagreement in simulated negotiations is significantly less frequent than in authentic negotiation. I would argue that marked disagreement is less frequent in the simulated negotiations as the use of interpersonal language is limited as much as possible in simulations for reasons already considered.

4.4 ANALYSIS 3 - CLAIMS AND CLAIM-BACKING

The results of this investigation (see Appendix C) seemed to confirm the initial hypothesis that there is a tendency to focus more on argumentation in simulated negotiation as opposed to authentic negotiations. In order to test this the Mann-Whitney Test was applied to the results. Predictably no significant difference ($p = 0.2$) was found when the professional negotiators' frequency of argumentation in the two simulations (Earthworks and East End Textiles - tables A and C in Appendix E) was compared. The second test grouped together the professional negotiators in tables A and C, and compared their performance to that of the non-professional negotiators (table B). Surprisingly enough, though a slight significance was expected (i.e. with professionals using claim-backing less frequently), the test revealed a very significant result; $p = 0.00162$ (the Mann-Whitney Test considers $p < 0.01$ highly significant). The third comparison that was made was between the professional negotiators' performance in the simulations (tables A and C) and the professional negotiators in the authentic negotiations. Here too p was significant ($p = 0.044$) though only just so. Professionals in the authentic negotiations used claim-backing less than professionals in simulated negotiations. Finally, all the simulations (tables A, B and C) were compared to the results of the authentic negotiations and the result, $p = 0.022$, was significant.

4.5 CONCLUSION

The examination of the data revealed interesting results. The expectation that interactional language in the simulated negotiations would be greatly reduced was

confirmed by the analysis of openings and chat phases. Marked disagreement too was found to be greatly reduced, though, as already discussed in Chapter 3, this cannot be automatically ascribed to a reduction of interpersonal language. Other factors such as L1 influence, the expectations of participants in language courses and the lack of real pressure on the participants may all contribute to this reduction. Finally, as expected, argumentation frequency showed very interesting differences when compared to authentic negotiations. I will now turn to a discussion of these results in the final concluding chapter.

CHAPTER 5 - CONCLUSION

5.1 OVERVIEW

The concluding chapter of this research will summarise the findings of the three areas that were investigated and discuss the implications and limitations of the study. Finally, some suggestions will be given and the problems of how to deal with simulations in teaching situations will be dealt with.

5.2 SUMMARY OF STUDY

This study set out to answer the following research question: *how is the participants' understanding of the simulated negotiation event reflected in its linguistic realisation?* Taking into consideration Charles' study (1994) into the 'linguistic' traces of the business relationship which can be identified in the negotiation event itself, interesting differences between authentic and simulated negotiations were found. With the assessment of the data in the three areas of linguistic realisation chosen for this study, i.e. opening and chat phases, marked disagreement and claim-backing, the following two principle differences seemed to emerge, (i) interactional language in simulations consistently differed from similar language in authentic negotiations, (ii) a recourse to argumentation as a strategy appeared more frequent than in authentic negotiations. The main concluding argument of this research is therefore that the understanding the participants have of the simulated event is not the same as that of authentic negotiations

and that this difference leads to, and can be expected to lead to the above-mentioned differences in linguistic realisation.

5.3 SUMMARY OF THE THREE ANALYSES

It was felt that the genre analysis approach was best suited to provide this study with an overall framework as its use of the notion of *discourse communities* enabled me not only to consider the superstructural layer within which the event itself is embedded but also to explain why these differences between the simulated and authentic negotiations occurred. It will be recalled that it was specifically through this approach that Charles herself was able to identify the traces left in the negotiation event by the business relationship itself.

5.3.1 OPENINGS AND CHAT PHASES

In the first analysis, that on openings and chat phases, the study set out to see if and how differences existed between authentic and simulated negotiations. As far as the data used for this research is concerned, it was found that, not only were chat phases all but absent in the simulations, but also, and more important, the initial opening phase (the I-element), which in authentic negotiations, according to Charles' research (1994), typically avoids discussing agenda items and sets the climate for the following D-element (the discussion of the agenda items), did not seem to have this function in the simulations. The participants seemed more intent on mutually shifting the 'reality to

simulated world' frame and that a chat phase at this stage actually hindered such a shift. One is reminded here of the confusion created by the switched off tape recorder in simulation 2B, the way the potentially realistic "*please come in*" in simulation 4A line 1 is 'neutralised', the hesitation provoked by the "*again*" in simulation 4B line 2 and, finally, the ambiguity of the "*Good afternoon*" in simulation 5 in line 1 and 2. Rather than naturally developing out of and being contextualised by the superstructural layer (the business relationship itself), the simulated event has nothing 'beyond' it except reality, the contextualising influence of which needs to be reduced to a minimum if the simulated event is to get off the ground in the first place.

Analysis of the data has indicated numerous significant differences between the way in which the topic framework of the I-element and the I/D boundary were handled in simulated sales negotiations.

5.3.1.1 THE I-ELEMENT

Analysis of the I/D boundary move(s) was hampered by the discovery that, for all intents and purposes, there were no I-elements in any of the simulated negotiations.

Three possible explanations may be suggested for this lack:

- a. the I-element does not form part of the topic framework structure of participants in simulated negotiations. This is probably due to the fact that people generally tend to equate negotiations with what is called the D-element, i.e. the discussion of

agenda items. Surprisingly enough, Lees (1983b), while recognising the importance of the I-element, has this to say about it in the Teacher's Book to *Negotiate in English*

Five minutes should be *imposed*. Students often find this the most difficult part of the negotiation. It is, however, not only necessary but can also be used to tactical advantage. *Teachers may clap their hands after five minutes to indicate that the conversation may now move to the subject at hand.* (my italics)

Lees (1983b:9)

Lees does not specify why it is important, nor how tactical advantage may be obtained from 'social conversation'. More interesting however, he does not explain why students find it so difficult. Imposing 'social conversation' and clapping hands must however contribute much to taking the mutual creation of a negotiation setting and boundary discourse out of the participants' hands altogether! Finally, it does not seem to have occurred to him that the simulation will probably only start once he claps his hands, effectively negating the I-element completely.

- b the second suggested explanation for the lack of an I-element, and one which I would give more weight to, was that, given the initial need to establish the transition from the real world to the simulated world, embarking on an I-element, which by its very nature merges with the superstructural layer (it will be remembered that Charles speaks of 'fuzzy' beginnings and ending) is too

ambiguous: one literally does not know whether one is 'in' or 'out' of the simulation. Until this framing is clearly and unambiguously dealt with by the participants, the simulation cannot 'start'. It was found from the data that the only way to manage this in discourse is to make the transition with a single boundary move which clearly acts in such a way as to suspend reality. When this boundary move was not clear, as in simulation 1B and 4A, it created serious problems for the participants, who only managed to get into the simulated world by finally making a single boundary move. This argument would be supported by Charles' breakdown of topic shifts (see fig. 1) in which the greater the topic shift (i.e. not within macrostructure, but to new macrostructure), the sharper they are and the less elements of surface cohesion are present. In the case of the transition from reality to the simulated world, we are not only moving from one macrostructural element to another, but from one 'metaphysical' plane to another. It therefore does not come as a surprise that the transition which is about as radical as one can imagine, can only be achieved by an equally radical single move, one which includes bypassing the I-element altogether

- c. finally, and probably the most important of the three suggested reasons for the 'missing' I-element, is the fact that the interactional aspect of communication is more difficult to simulate than transactional language. The reason for this, I would suggest, is that simulating interactional language implies 'acting' whereas simulating transactional language, does not. However, it must be remembered that interactive language cannot be done away with. As Watzlawick et al. (1967:51) put it "one cannot not communicate". In other words: "This is how I see myself ... this is how I see you ... this is how I see you seeing me ..." (Watzlawick et al.

(1967:52) is inevitably and necessarily part and parcel of every communication, even if that communication is simulated. Thus, the participants in a simulated negotiation are necessarily communicating their interpretation of the relationship, and this can only be one thing; *this relationship is simulated*, and hence, 'not real'. Put otherwise, while it is difficult to see the difference between a simulated argument and a real argument (in the sense of a statement supported by reasons), the same does not apply to interactional language - real interest and simulated interest are not the same thing, especially if the interactants know it is simulated!

5.3.1.2. THE I/D BOUNDARY

Speaking about an I/D boundary, when there is in fact no I-element, is of course problematic. In most cases (simulation 6 being the only exception), what would, in terms of topic, be considered an I/D boundary move (e.g. 4B, line 3, *B: so ... did you get ... uh ... our letter?*) serves in simulations to move from reality to the simulation. That is to say, it was not used as a signal to indicate readiness to move to the D-element, but to actually start the activity (e.g. 4A lines 4-5). Simulation 3B seemed to be an exception as it displayed very clear procedural sequencing over a number of turns. Closer inspection however indicated that this I/D boundary sequencing was being used to create climate, rather than a transition. Thus, the move sequence tends to be as follows: reality → simulated boundary → D-element, with the simulated world move (which should be the I-element) reduced to the function of simply confirming that the simulated world has been successfully entered into, and hence the next move is to the D-element.

5.3.1.3 CHAT PHASES

Though not limited to the I-element, the so-called chat phases (Lampi 1986) are best discussed in this section. Chat phases, which occur in the I-element (and which indeed define the I-element) are found throughout the collaborative negotiation events and are one of the clearest signals that the climate is one of cooperation rather than competition. What is important about the chat phases is that the goal of the interaction is not defined by the interlocutors in terms of topic but in terms of interaction. As Lampi (1986:63) says;

A chat contributes to the negotiation climate. It tends to soften a conflict situation and to create a good atmosphere by helping the interactants learn to know each other better. The existence of chat in a negotiation event is, in fact, often taken to be an indication of a 'soft', i.e. cooperative negotiation style.

The data collected, contained not a single example of a chat phase. In other words, once again, the interactive element was totally ignored as part of negotiation strategy. It may be argued that the absence of chat phases in the simulation simply indicates that the negotiations were not collaborative but competitive, and hence the absence of chat phases is to be expected. However, not only do the simulations not contain chat phases, they do not contain any clear signal that they are competitive either. Indeed, with the possible exception of simulation 8, they are all, at least as far as the 'climate' is concerned, cooperative negotiations. This can be easily demonstrated in two ways:

1. Comparison to Johnston's (1982) check list of negotiation strategies (table 1)

indicates quite clearly that the simulations all veer in the direction of collaborative events

table 1 - the characterisation of negotiation strategies

COMPETITIVE STRATEGY		COLLABORATIVE STRATEGY	
1	pursuing own goals at the expense of other party	1	pursuing mutual goals
2	secrecy: high trust in oneself, low trust in partner	2	trust, openness, mutual exploration of alternatives
3	own needs disguised or misrepresented	3	own needs represented accurately
4	does not care about other's needs	4	empathy: cares about other's needs
5	unpredictable: mixed tactics	5	predictable, flexibly tactics
6	threats, bluffs: each tries to keep the upper hand	6	share information; treat each other with mutual understanding and integrity
7	wanting to appear committed to a position	7	wanting to find mutually satisfactory solutions to problems
8	creating bad image of other, ignoring logic, etc	8	ideas considered on their merit, positive feelings about others
9	'I win, you lose'	9	'what is the best way to meet goals of both parties?'
10	negotiation is a battle	10	negotiation is a problem solving situation

2. the distinction Lampi (1986) draws between discussion and bargaining phases. In the discussion phases "... people talk *to* and *with* each other *about* something" (Lampi 1986:64), while in the bargaining phases "... people talk *to* and *with* each other, *about* something, *in order to* make a decision or *reach an agreement*"

(Lampi 1986:67). The discussion phase aims to consider the subject matter at hand and elicit information though, not necessarily to reach a definite conclusion or solve a problem. The bargaining phase on the other hand has polarity and controversy as built-in expectations. Particularly interesting in this regard are simulations 1B, 2B, 3B and 4B as they deal with a similar situation to that which Lampi used for her authentic data. The sample is of course too small to draw any significant conclusions, but, while Lampi's negotiation contains numerous chat phases, it is indicative of what has so far been found in the I-element, that this is not the case with the simulated negotiations. Nor, surprisingly, are there any discussion phases while, at the same time, following Johnston's characterisation of negotiation strategies above, none of these four simulations can be considered conflictual. Once again, this would seem to confirm the view that simulated negotiations are seen as self-sufficient events, and that these events are to a large extent equated with *bargaining* even if there is no conflict present.

Although these brief comments on chat phases do not claim to be conclusive in any way, I feel that they do confirm what has been argued so far and therefore contribute to throwing more light on to the problem of 'flatness' in simulations mentioned before. Why is it that the simulated negotiations seem, at least at first sight, so 'one-dimensional'? As I have already argued, the answer to this is that they lack a systematic development of interactional language and hence of personal credibility as a component of negotiation strategy. This point will be looked at in more detail in the next section when the issue of mitigation will be dealt with.

5.3.2 IMPLICATIONS

The implications of these findings are considered important for the use of simulated negotiations. If the I-element and chat phases are eliminated from simulated negotiations it follows that the participants will either do without climate setting (confirmed in most of the data), or be forced to do this in an I/D boundary move or in the D-element itself (both of which were found in the data, and in both cases interestingly enough there seemed to be a *strategic* reason for climate setting). Either way, what follows is a distortion of the negotiation event as understood by the business discourse community. In simulations used for the training of second language learners, this implication must be considered seriously as part of the negotiators' knowledge of the negotiation event is how to deal with openings, how long these should be, what should be achieved, how to bring about the macrostructural transitions and how to initiate and develop strategy through chat phases. If students are not given the opportunity of doing this their training will contain serious lacunae. Nor will it suffice to simply ask students to spend a few minutes 'socialising' without clearly indicating the strategic possibilities and importance of this phase. It was found (see discussion below) that of the six training courses examined, only one (Carter 1991) indicated this *essential* aspect of the I-element

5.3.2.1 TEXT BOOKS INTENDED FOR THE GENERAL BUSINESS MARKET

It is interesting to note that while text books intended for the general business market do make reference to what is called here the I-element, no reference to the I/D boundary

move(s) were found. Both Griffin and Daggat (1990) and Atkinson (1993) indicate that the pre-negotiation phase is particularly useful for developing a strategic platform for establishing cognitive dissonance. Atkinson (1993:172) offers not only an interesting list of functions which opening moves (should) achieve (developing trust, creating a positive image, building a platform, developing cognitive dissonance, creating common ground and dealing with the other party's positional and personal needs) but also deals with each one of these in detail. March (1990:165), on the other hand indicates the climate building aspect of the opening but fails to indicate how this is used strategically by the negotiators. He limits himself to indicating that this is what the Japanese 'expect'. This is in my opinion an important oversight as the opening is not 'simply' small talk, but small talk with a very specific function for the rest of the negotiation. Another interesting breakdown of the opening comes from Nierenberg (1991:66)

There are no strict rules on opening or conducting a meeting, but several different approaches have been suggested. Some experienced negotiators advise that a completely irrelevant topic start off the meeting 'at the deep end'. Others suggest that a humorous story can lighten the tension. Still others propose that the introductory actions set forth some of the general principles of negotiation: the need for each party to gain something, what your objective attitude might be, and how you will listen and evaluate all alternatives and suggestions. Also you can show any advantages to be gained for the opposer by dealing with you.

Here the bringing together of the I-element and the I/D boundary move(s) are quite

evident. It is also significant that no mention of why telling a joke or embarking on an irrelevant topic is useful or strategically relevant.

5.3.2.2 TRAINING COURSES FOR THE GENERAL BUSINESS MARKET

Of the three training courses developed for business clients, two (Asherman and Asherman 1995 and Carter 1991) do specific work and training on climate setting. Carter interestingly enough goes into the strategic significance of choosing 'empathy', 'dumbo' or 'sympathy' and how to answer each. Kennedy (1987) makes no mention of the opening phase at all. None of the three courses examined deals with macrostructural boundary language nor with how, or when, to bring about the transition, nor do any of them deal with chat phases during the negotiation event itself, i.e. they only focus on the bargaining phase.

5.3.2.3.. ESP NEGOTIATION COURSES

Of the three ESP courses examined, Lees (1983a), O'Connor, Pilbeam and Scott-Barrett (1992) and Casler, Palmer and Woodbridge (1991), all make reference to the opening stage, though, beyond a generic "first impressions can be important", none of them go towards indicating the strategic purpose of this stage, nor the available choices negotiators have. Furthermore, no mention of the I/D and D/E boundary language was found. Lees (1983b), as has already been mentioned, effectively negates any value this phase may have for the simulation. O'Connor et al. (1992:8) simply state that "first

impressions can be important” and that accordingly one should try to establish a good atmosphere. Unit One ‘Relationship building’ then offers what can only be described as a list of phrasebook language expressions for politeness. Unit Two, without showing the connection with Unit One moves onto agenda agreement, thereby once again, as in Lees (1983b), effectively isolating the relationship building as ‘done’ and hence no longer relevant, thereby also effectively eliminating any indication of chat phases in later stages of the negotiation event. Finally, Casler, Palmer and Woodbridge (1991:22) also treat the I-element in a perfunctory way: “Allow several minutes at the beginning of the meeting for social conversation to create a friendly, cordial, businesslike climate”. Apart from that, no further mention of the opening or chat phases in general is made.

5.4 MARKED DISAGREEMENT

In the second analysis, the frequency and intensity of marked disagreement in simulated negotiations was compared to that of authentic negotiations and found to differ significantly. Here too, it was argued, the missing business context may be used to explain this difference. Basically two arguments were given: in the first place it was argued that, when marked disagreement is understood as mitigation, the participants in simulations tend to use fewer mitigation strategies and that this is probably due to the need to keep interactional language to a minimum in order to keep reality ‘at bay’. That is to say, it is not enough to mutually perform the transition from reality to the simulated world at the beginning, since this change of frame needs to be continually reconfirmed by the participants. Secondly, it was argued that the use of marked disagreement in authentic negotiations may also be explained as resulting from the need to use

equivocation as negotiation strategy. The reduced frequency of marked disagreement (when understood as instances of equivocation) in the simulations was explained as the lack of real pressure the participants feel from the companies they represent. This lack allowed the participants to 'avoid', avoidance / avoidance situations by simply shifting their objectives as they went along. It was also argued that, being part of a L2 language training program, there was pressure on the participants to perform 'linguistically' rather than achieve pre-established negotiation goals.

5.5 CLAIM-BACKING

The last analysis of this research looked at the frequency of backed claims in simulated negotiations as compared to authentic negotiations. Here too interesting differences were found. Far more cases of backed claims were found in the simulated data than the authentic negotiation data consulted. Once again, the business context (or lack thereof) was considered to offer the most convincing explanation of this difference. Not having the interpersonal element of communication to use in developing strategy (i.e. what Atkinson calls 'personal credibility'), the participants in simulated negotiations are forced to exploit interactional language (i.e. what Atkinson calls 'positional credibility'). It was also argued, once again, that the lack of real pressure on their negotiation performance may also explain the difference. There was, as a whole, very little sign of platform building (Atkinson 1993:34) leading up to proposals (i.e. statements for which backing is not offered or requested). Lack of pressure may explain this as, once again, outcome was not considered an important issue.

A particularly interesting, and somewhat unexpected result was the very significant difference ($P = 0.0162$) between professionals and non-professionals in the simulated negotiations. This result clearly seems to indicate that negotiation training courses need to distinguish between professionals and non-professionals. The implications of this for ESP will be discussed below (5.7 - IMPLICATIONS FOR GENERAL BUSINESS AND ESP COURSES).

Given the findings of the preceding two analyses (i.e. on openings and marked disagreement), the results did not come as a complete surprise. If anything, these findings helped to further highlight the original feeling of 'flatness' which started this study off. I do not however wish to imply that simulated negotiations can be reduced to 'nothing-but-argumentation'. What does seem beyond doubt though is that there is a tendency in simulated negotiations to consider factors that are not at work, or not predominant, in authentic negotiations. One of these, as this chapter has hopefully indicated, is the different perception participants have of simulated negotiations *vis-à-vis* authentic negotiations. Given the absence of pressure exerted by the business context within which the negotiation ultimately makes sense, the lack of development of *themes* (see earlier discussion of Atkinson on themes and proposals) would, not surprisingly, reduce the pressure to develop personal and positional credibility to the extent of finding more instances of claims (i.e short arguments consisting of claims / backing(s)) in simulated material than *proposals* which are not only the upshot of drawn out developed themes, but also, and more importantly, statements *the validity of which are not questioned by the presence of one or more backings*.

5.6 APPLICABILITY OF RESULTS AND LIMITATIONS OF STUDY

Obtaining authentic data for the analysis of negotiation discourse is notoriously difficult as the event is usually of a highly confidential nature and companies are understandably loath to give out such data for public scrutiny. Some researchers have sought to solve the problem by making use of simulated data, arguing, as Van der Wijst and Ulijn (1995) and Neu and Graham (1995) do, that the two discourse forms, i.e. simulated and authentic negotiations, do not differ in any significant way. Hopefully this research has contributed to questioning such a view, but, the problem of data nevertheless also had its effect here. Both the simulated and authentic negotiation data consulted for the analyses represent limitations that need to be considered before making generalisations and suggesting practical applications from the results. Whereas the data collected by Charles was from English mother tongue participants, the simulated data of the present study included both English mother tongue and Italian participants, who, it might be argued, introduced an element of cultural difference not taken into account in the analyses. This is clearly a limitation of the study. It is indicative however, that the linguistic behaviour of the English mother tongue speaker did in fact not differ much from that of his Italian counterparts; at least not as far as the three aspects of performance that were assessed are concerned. The vast majority of the participants were from the same company which too may have had an influence on the data. The quantity of data here was also obviously restricted, comprising 11 simulations, totalling four hours and six minutes, though these restrictions were partly due to the scope of the present study. The authentic data from Charles which was used, was, as Charles (1994:305) herself admits “far too restricted to make generalisations over sales / business negotiations” since it totalled five hours and twenty minutes. However, given

the scarcity of authentic data and research on same, her findings can be taken as a good starting point as indicating what actually happens in negotiations. Furthermore, the results obtained from comparing this data to the simulated negotiations, are, I would argue, interesting and indicative enough to make hypotheses for further study, and, for making suggestions for practical applications. It is felt that the characteristics identified in the current study may be seen as a contribution to determining the differences between authentic and simulated data and how these might affect the content of negotiation courses whether for general business or ESP learners.

5.7 IMPLICATIONS FOR GENERAL BUSINESS AND ESP COURSES

The interdisciplinary approach taken by this study has highlighted the need to consider the communicative context of business discourse and that is true for both courses aimed at English mother tongue and those aimed at non-English mother tongue speakers. Specifically, less emphasis should be placed on communicative functions and notions and more on tactical and rhetorical moves so as to highlight to students the connection between the microstructural layer of language produced and the superstructural layer - the nature of the business relationship - which motivates the language. How this is done will depend on the type of student: fully-fledged members of the business discourse community will presumably be familiar with the various requirements of different business situations and will need to be shown how language can be used to achieve their goals; students to business, who can be defined as “apprentices” (Swales 1990) to the discourse business community, need to be made aware of the “superstructural layer” and how negotiations are set within it and how it might determine the patterning of a

negotiation. ESP course books seem particularly lacking in this area (e.g. *Business English Pair Work* 1996, *Portfolio* 1987). In general it would be misleading to present to a learner the need to be a fluent speaker of grammatically correct English as a necessary and sufficient condition to negotiate effectively. Indeed, as illustrated in simulation A where, of the two experienced negotiators, the non-English mother tongue participant 'demolished' the English mother tongue participant, the command of the language itself may not be the overriding factor. In ESP courses, for instance, the teaching of specific linguistic items such as conditionals or suggestions should be preceded by setting the context not only in immediate terms of "You represent East End Textiles Ltd" etc. but also and perhaps more importantly, by highlighting the broader context of the business discourse community and the communicative goals (as far as we have been able to establish so far) of negotiations in general. In other words, a learner must know why a structure is useful and in what way it can be used in the light of the overall objectives.

The small talk or chat phase of negotiations should not be seen as simply a "lead-up" to the real negotiation i.e. a way to transfer from the real world to the simulated one. No doubt some business courses, such as the one presented by Lees (1983b) where he suggests the clapping of hands by the instructor to indicate the end of the "warm-up" chat phase and mark the "break" between the real and simulated world has helped to reinforce this idea. Rather, the chat phase should be seen as an integral part of the negotiation which can be used to diffuse possible tension in a potentially difficult negotiation, to "feel out" the other participants or to read any preliminary signals, or even to set the power relations between participants.

On the question of power, as suggested by Charles (1994), particular attention should be given to this area i.e. how non-English mother tongue speakers can overcome feelings of inadequacy created by a linguistic disadvantage - feelings which are sometimes reinforced by a list of functions and linguistic structures presented by some course books e.g. O'Connor et al. (1992). One step in this direction is to highlight negotiation as a series of related moves to give students an overall sense of control. Charles also comments that:

“...learners should be made aware of the importance of being able to produce procedural moves which organize the negotiation event, in order to establish one's position as a powerful main negotiator where appropriate.” (Charles 1994: 319)

Students should also be required to carefully plan simulated negotiations and remain as close to their initial entry positions as they can. In other words, outcome must be considered. This danger of outcome being considered only peripherally important is particularly prevalent in ESP courses where the participants tend to concentrate on 'correct' language as the principle purpose of the activity. It is necessary to create a feeling of pressure and conditioning that is surely present in authentic negotiations. On this point, it is interesting to note that while business course and text books aimed at the business market, such as *The Prenegotiation Planning Book* (Morrison 1992) and *Negotiating Simulations* (Kennedy 1993), specifically require students to learn how to plan, this is generally overlooked in ESP negotiation course books (e.g. Lees 1983a, O'Connor et al. 1992).

Clearly, the ESP teacher needs to have a good knowledge of the workings of the business discourse community. Charles (1994: 320) comments that “the teacher/ trainer should, indeed, be helped to become a situational specialist rather than a language specialist”. Certainly, the ESP teacher risks providing unmeaningful or even misleading language input if the business context is not known or understood. An interdisciplinary approach can help here and teachers should take any opportunity possible to work with business researchers to gain further insights into negotiations.

Thus, in conclusion, though these comments do not claim to be in any way exhaustive, I would argue that they point out a direction that needs to be taken if ESP negotiation courses wish to be relevant and applicable to real life.

5.8 PRACTICAL SUGGESTIONS

The practical suggestions I would suggest refer principally to the use of simulations in ESP training courses and revolve around two fundamental aspects that need to be considered and incorporated into these courses:

- a. allowing for the possibility to use interactional language as *strategy*
- b. getting the participants to develop their negotiations in terms of themes rather than blow by blow argumentation

5.8.1 USING INTERACTIONAL LANGUAGE IN SIMULATIONS.

As I have argued, the significant reduction of interactional language in simulations is to a large extent due to the 'two worlds' that need to be kept distinct and separate and the lack of a credible business context that may exert further pressure on the participants. It has been argued that the radical break that the participants seemed forced to mutually perform at the beginning of the simulations, is to a large extent responsible for this and it therefore follows that if the participants were to somehow avoid this initial real world to simulated world jump, they would be in a better position to incorporate interactional language in their strategy. Practical suggestions that may be offered are thus:

- One possible contribution may be that of letting the negotiation start before the participants actually discuss the agenda items. Preliminary meetings in which participants meet for purposes other than discussing agenda items should be encouraged.
- Another suggestion might be to indicate to participants that the business relationship, rather than the negotiation, starts when the trainer (or coordinator) gives a signal and this should then be given long before the actual getting down to discuss agenda items.
- Participants should not necessarily be given quantifiable negotiation objectives but might be asked to simply stall coming to an agreement, or prepare the climate for a future negotiation with the 'real' decision maker. In cases like this the briefs might place significant focus on establishing a context of trust, or cooperation, or even create tension. It would be interesting to see how participants dealt with 'conflicting' briefs, in which the one is requested to develop a cooperative climate

and the other a win/lose conflictual approach.

- Finally, it might be an idea to give participants identities in fictitious companies from the very beginning of the courses, leaving aside their real identities altogether, and keeping these new identities throughout the course. Naturally, this would be difficult with participants who already know each other and this would accordingly be an argument in favour of not placing such participants in the same course, or at least not the same groups within a course.

I do not suggest that these few comments would lead to a solution to the interactional language problem. It remains, unfortunately, a structural problem of simulations.

5.8.2. DEVELOPING NEGOTIATIONS IN TERMS OF THEMES

The statistical results between professional and non-professional negotiators in the simulated data concerning the frequency of argumentation indicated an unexpected discrepancy that was considered very significant. This, I believe, has important implications for negotiation training courses. The first implication of this finding is that in such training programs a distinction has to be made between fully-fledged members of the business discourse community and new-comers who still need to learn the basic discourse purposes of the various means with which the community communicates with itself. In other words, participants need to integrate their more narrowly language focussed ESP courses with general negotiation training courses as well. This is no small problem and it has already been touched on in Chapter 1 (1.3 - NEGOTIATIONS AS SELF-SUFFICIENT ARTEFACTS), where the question was asked whether ESP

negotiation courses deal with the teaching of English through the use of negotiations, or the teaching of negotiations through the use of English. The small amount of data so far collected indicates that the two cannot be separated and that it is precisely the narrow language focus of the greater part of ESP negotiation courses on the market that, ironically, in their very attempt to teach the language, actually contributes to its impoverishment. Or, put differently, the more one focusses on language the more one runs the risk of distancing the language generated from that found in authentic negotiations. Training, to sum up, has to include input on negotiation planning in general, and more specifically, on strategic theme development. When the briefs were given to the participants in the simulations, they were asked to prepare for the negotiations that were to follow but no further indication was given as to how detailed this was supposed to be and the impression was that preparation was done in a rather superficial way, possibly as the participants understood the event as essentially a *language* training activity, since, as mentioned earlier, the activity fell within a language training program I was running in the company at that time. In counteracting this, Kennedy's four phase preparation model (Kennedy 1993) could be of use. Copies of these negotiation preparations could be handed in to the trainer and 'revealed' once the negotiation is over in order to compare performance with that of the other participants. No doubt pressure, and hence accountability, can be created this way.

5.9 CONCLUSION

This research has set out to identify differences in the linguistic realisation of two apparently similar events: authentic and simulated sales negotiations. A general research

question was formulated: *How is the participants' perception of the negotiation event as simulated reflected in its linguistic realisation?* In other words, not only were differences between the two events identified and investigated, but an attempt was made to explain these differences as well by ascribing them to differences in the perception the participants have of the two events. This claim was evaluated by examining and comparing three aspects of linguistic realization of authentic and simulated sales negotiations.

First, by focussing attention on the way chat phases were handled in the openings of simulated sales negotiations, it was found that interpersonal language was consistently eliminated in this stage. This finding was considered particularly important since (i) it is exactly in the opening phase of authentic negotiations that most interpersonal language is found, and (ii) interpersonal language cannot be considered a mere peripheral element of negotiations; on the contrary, interpersonal language is one of the principal ways in which the event is embedded into the larger business context which gives rise to the negotiation in the first place. Secondly, it was found that instances of marked disagreement were significantly reduced in simulated sales negotiations. Though the explanation of this result cannot be simply ascribed to reduced mitigation, it was felt that the result was, in itself, important, as once again consistent differences were detected between the two events. Finally, acting on the suspicion that recourse to argumentation was more pronounced in the simulated negotiations than in the authentic ones, argumentation frequency was looked at, confirming the initial hypothesis. Why this was the case is probably not that easily explained as is the greatly reduced frequency of interpersonal language. One possible explanation however, may be the lack of real pressure on the participants in the simulated events. Another explanation may be that

participants in simulated events tend to act according to what they think negotiations are whereas in authentic negotiations, their linguistic behaviour does not go through this behavioural filter; they simply get on with the job and negotiate, without first telling themselves, 'I must now behave as I would behave if I were really negotiating'. Such a filter to behaviour acts in a very similar way to the 'paradoxical injunction (Watzlawick *et al.* 1967) which commands an unsuspecting 'victim' to 'be spontaneous', or to 'be free'.

In conclusion it does not seem out of place to end this dissertation with a quotation from Baudrillard (1984:2), who, though writing a critique of post-modernity, nevertheless may well be talking about sales simulations and the implicit danger of using them uncritically in business training courses.

Abstraction today is no longer that of the map, the double, the mirror or the concept. Simulation is no longer that of a territory, a referential being or substance. It is the generation by models of a real without origin or reality: a hyper-real. The territory no longer precedes the map or survives it. Henceforth, it is the map that precedes the territory - precession of simulacra - it is the map that engenders the territory.

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APPENDIX A - SIMULATIONS

Simulation A - used for simulations 1A, 2A, 3A, 4A, 5, 6, 7 and 8 (see Appendix D)

GENERAL BRIEF

EARTHWORKS LTD

CUSTOMER INVOICE

Invoice date:	18 June 1995	Registered Head Office
Invoice number:	58793	6 High Street
Customer reference:	812F	Stamford
		Lincs
		Tel: 0682-7987230
		Fax: 0682-7987225

REPAIR CHARGES		£
To:	repairs carried out on m/c #3982 CCM - ITALIA	
	Parts	2,826.50
	Carriage	621.00
	Oil, fuel, etc	20.00
	Labour	4,900.00
	Travel and accommodation expenses	1,980.00
	Administration fee	50.00
	Miscellaneous charges	
		10,397.50
	Less: Discount	-
	Net invoice value	10,397.50

APPENDIX A - SIMULATIONS

Simulation A (cont)

BUYER'S CONFIDENTIAL BRIEF - CCM - ITALY

You are the Purchasing Manager for an Italian construction company, **CCM - ITALIA**. Last year you purchased an earth-moving machine (price £60,750) from a British firm, **EarthWorks Ltd**. This year, a couple of weeks after the warranty had run out, it broke down. They sent out two engineers to Italy for one week in order to repair it at your request and, you thought, at their expense. Recently, however, you received an invoice for repairs. You told them in your reply that this should be covered by their normal after-sales service. In asking for payment, you feel that they are not facing up to their responsibilities.

When the **EarthWorks** representative visits you, try, politely but firmly, to make him see your point of view, and to pay for all or at least most of the cost of the repairs. But be careful, because legally you don't have a leg to stand on. You are, however, a potentially valuable customer for them.

APPENDIX A - SIMULATIONS

Simulation A (cont)

SELLER'S CONFIDENTIAL BRIEF - EARTHWORKS LTD

You represent the British construction equipment manufacturer, **EarthWorks Ltd**. Last year you sold an earth-moving machine (price £60,750) to the Italian construction company **CCM - ITALIA** in southern France. This year you had to send two repair engineers for one week to repair it. The breakdown took place a couple of weeks after the warranty had run out. You invoiced **CCM - ITALIA**, but they wrote back saying that such repairs should be part of your after-sales service (which they are not). You are now visiting them at their offices to explain your position.

Although they are potentially valuable customers, legally they don't have a leg to stand on; so be polite but firm. Try to obtain agreement over how the payment will be made. (You may eventually have to make some contribution to the costs as a sign of goodwill, but avoid this as far as possible).

APPENDIX A - SIMULATIONS

Simulation B - used for simulations 1B, 2B, 3B, 4B (see Appendix B)

BUYER'S CONFIDENTIAL BRIEF - EAST END TEXTILES LTD

You represent **East End Textiles Ltd**, and have bought cotton cloth at a price of 50p per metre from the Italian company **Tessitalia S.p.a** for the past few years. Your recent purchases have been as follows:

three years ago:	80,000 metres
two years ago:	75,000 metres
last year:	68,000 metres

You have heard of a general 25% increase in the price of raw cotton, and suspect that is why **Tessitalia S.p.a's** representative has come to see you. Of course, you are bound to accept some increase but not all that. His selling price to you covers not only the raw material costs but also labour, overheads and profit margin, though you do not know in what proportions. He may try to combine an increase with some incentive scheme based on discounts for high total purchases, so calculate in advance what type of compromise you are prepared to accept. Your best chance of success is to calculate in advance a sliding scale of discounts, which you can put forward as a counterproposal more acceptable than the scheme which **Tessitalia S.p.a** suggest. Use your preparation time to work out a scheme.

Remember, although you are very satisfied with **Tessitalia's** product and would prefer to continue buying from them, you do not have to come to an agreement at all costs

Table 2 - SIMULATIONS - occurrences of disagreement acts per number of marked disagreement used

simulation	number of mitigation strategies used per disagreement									disagreements	
	0	1	2	3	4	5	6	7	8	mitigated	number
1A	1	1	0	0	0	0	0	0	0	1	2
2A	5	3	1	1	3	1	1	0	1	11	16
3A	1	0	3	0	0	0	0	0	0	3	4
4A	2	0	1	0	1	0	0	0	0	2	4
5	4	1	0	0	1	0	0	0	0	2	6
6	1	1	0	0	0	0	0	0	0	1	2
7	2	0	0	0	1	0	1	0	0	2	4
8	12	2	1	1	3	3	0	0	0	10	22

Table 3 - AUTHENTIC NEGOTIATIONS (Stalpers 1985) - occurrences of disagreement acts per number of marked disagreements used

simulation	number of mitigation strategies used per disagreement									disagreements	
	0	1	2	3	4	5	6	7	8	mitigated	number
1	2	4	1	5	1	0	0	0	0	11	13
2	6	8	8	3	2	2	0	0	1	24	30
3	2	1	2	4	6	1	0	0	0	14	16

APPENDIX A - SIMULATIONS

Simulation B (cont)

SELLER'S CONFIDENTIAL BRIEF - EAST END TEXTILES LTD

You represent the Italian company **Tessitalia S.p.a.** You sell cotton cloth, in metres, to **East End Textiles Ltd**, who have it dyed and printed with colours before making it up into clothes. They are a major customer. Their recent purchases have been as follows:

Three years ago: 80,000 metres
Two years ago: 75,000 metres
Last year: 68,000 metres

You charge them 50p per metre, which breaks down as follows:

Raw materials:	20p
Production costs:	10p
Overheads:	10p
<u>Margin:</u>	<u>10p</u>
TOTAL	50p

This means a 25% mark-up, and a 20% profit.

This month, cotton prices quoted on the Liverpool Exchange have increased alarmingly, by an average of 25%. Of course, you wish to pass this, or at least most of it, on to your customer - otherwise your profits are halved!

Can you suggest some scheme, say a smaller increase, but also a sliding scale of discounts for high total purchases, which you could both accept? Use your preparation time to work out such a scheme. Do it well, and you can actually increase your profits!

APPENDIX C - CLAIM AND CLAIM-BACKING FREQUENCIES

Simulation A (Earthworks - CCM)

Professional negotiators					
simulation	1A	2A	3A	4A	average
total words	2.331	4.130	1.774	2.530	2.691
claims + backings	843	1.355	474	824	874
percentage claims	36%	33%	27%	33%	32%

Non-professional negotiators					
simulation	5	6	7	8	average
total words	1.982	1.911	2.999	2.712	2.401
claims + backings	952	703	1.549	1.199	1.101
percentage claims	48%	37%	52%	44%	46%

average - professional and non-professional: 39%

Simulation B (East End textiles - Tessitalia)

Professional negotiators					
simulation	1B	2B	3B	4B	average
total words	1.750	2.139	2.984	775	1.912
claims + backings	658	793	818	345	654
percentage claims	38%	37%	27%	45%	34%

Authentic negotiations

Professional negotiators			
	(Lampi 1986)	Charles (1994)	average
total words	6.428	8.518	7.473
claims + backings	595	1.614	1.105
percentage claims	9%	19%	15%