NEGOTIATING WITH MANAGERS FROM AFRICA: THE NIGERIAN APPROACH

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ABSTRACT

The Nigerian business environment is largely influenced by government which do not only formulates business policies but equally own business investments. Negotiation in Nigeria is therefore dependent on who owns the business–public or private. Government's investments are carried out to bring about overall economic development; hence, representatives of the governments must be in the negotiation process. On the other hand, managers negotiate for their organisations. Managers, who are saddled with the task of negotiating for their business organisations, therefore have serious task, especially in the Nigerian business environment that tends to be influenced by cultural plurality and milieu; frequent policy review and of course, frequent demands as well personal considerations. This discourse examined negotiation by managers in Nigeria. The Nigerian business environment was reviewed. The author further examined approaches in negotiation, types and processes with particular reference to managers in Nigeria. It is concluded that managers in Nigeria have much tasks in the negotiation process given the factors earlier deciphered.

Keywords: Business Negotiations, Managers, Business Opportunities, Co-operation, Profit, Sales, Business Education.

INTRODUCTION

Negotiation with managers in Africa is important in the development of business, trade, commerce, and of course, the economy. Among the African countries, Nigeria has been in the limelight of global economic scene. The post-independence Nigeria attracted business policies, increased business opportunities, activities and strategies with a view to increasing the output of goods and services; raise the standard of living of Nigerians and boost national income. Therefore, Nigeria pursued vigorously industrialization and the development of business. This has attracted prospective and potential business partners across the globe. The increased business opportunities have opened room for negotiations within and outside Nigeria.

Managers, during any negotiation process are poised to promote effective business agreement for the overall development of the Nigeria's business environment. Again, both managers and government representatives in the negotiation process must be able to drive home investors to the country and boost business and economic activities. Several administrations in Nigeria have therefore pursued vigorously business policies that enhance collaboration and partnerships using negotiation to attract foreign governments, corporate bodies and technical know-how, among others for the overall interest of over 180 million Nigerians. For instance Nigeria went into negotiation of the Doha Development Round or Doha Development Agenda (DDA), one of World Trade Organization (WTO) efforts to liberalize international trade is very unique. The objectives of this Agenda is to lower trade barriers around the world, allows countries to increase trade globally; permit free trade between countries; opens agricultural and manufacturing markets and expand intellectual property regulation.

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Another very important negotiation on business deals by Nigeria is the Nigeria – China Currency Swap, where Nigeria and the People's Republic of China have sealed a $2.5 billion (Renminbi (RMB) 16 billion) currency swap deal. The agreement, which is purely an exchange of currencies, will make it easier for Chinese manufacturers seeking to buy raw materials from Nigeria to obtain enough Naira from banks in China to pay for their imports from Nigeria and equally protect Nigerians doing business with Chinese from the harsh effects of third currency fluctuations. The agreement was sealed up on April 27, 2018 by representatives of both countries with leading negotiators for both countries being the governor of the Central Bank of Nigeria (CBN), Godwin Emefiele and the governor of the Peoples Bank of China (PBoC) Dr. Yi Gang, among others. The transaction aims to provide adequate local currency liquidity to Nigerian and Chinese industrialists, thereby reducing the difficulties encountered in the search for third currencies. The agreement would provide Naira liquidity to Chinese businesses and provide RMB liquidity to Nigerian businesses, thereby improving the speed, convenience and volume of transactions between the two countries. It will also assist both countries in their foreign exchange reserves management, enhance financial stability and promote broader economic cooperation. The operation of this agreement will make it easier for most Nigerian manufacturers, especially small and medium enterprises (SMEs) and cottage industries in manufacturing and export businesses to import raw materials, spare parts and simple machinery to undertake their businesses by taking advantage of available RMB liquidity from Nigerian banks without being exposed to the difficulties of seeking other scarce foreign currencies.

Meanwhile, Nigeria' economy has staggered for over half a century, despite the expectations of both the nationalists who fought and secured independence and the colonialists who controlled the business of Nigeria until independence in 1960. Therefore, the poor state of the economy in Nigeria practically portrays the inability of the government of Nigeria in harnessing the business potentials considering the nation's natural resources endowment, population advantage and partnership opportunities with the developed economies arising from the points earlier deciphered. Nigeria's economy is strong and there are many business possibilities but the missing link is on poor negotiation with the wider world for business partnership and collaborations. Unarguably, Nigerians have their unique understandings and perspectives on how to conduct business but it will be counter-productive to undermine the uniqueness of members of the outside world. This seems to be a major challenge bedeviling Nigeria's development potentials over the years. This implies that there is a large gap between business habits of other countries and Nigerians. Therefore, for doing business in Nigeria it may be better to enter the local market with a well-versed negotiator or consultant. Nigeria is a very different place for who would like to start working there. The keys to success are adaptability, flexibility, and some cultural knowledge background. In Nigeria, having a personal relationship with your colleagues and superiors is normal. At first, they spend hours to know one another. The family, for instance, is an important subject of conversation. Therefore, talking about family and health matters could be the best way to knowing your prospective business partner because it gives the person(s) in that family the trust and confidence that doing business together will be a great deal after all. During meetings, it is important to be pleasant and agreeable so do not try to rush through this process or impose your own agenda during these initial meetings.

Negotiation in the Nigerian business environment assumes varying degrees considering the nature of Nigeria's economy which is not in the extreme either as a capitalist (where private firms and individuals own productive resources in a seemingly free market enterprise system) or socialist (where government ownership of productive resources in a seemingly system of

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welfares). Nigeria's economic system can therefore be described as a mixed economy where both government and private initiatives and ownership of business is allowed. One can therefore imagine the complexity of the negotiation process in such a business environment.

Again, Nigeria as a Federal Republic operates federal system of government and, of course, Mixed Economy. This empowers both government and private initiatives and ownership of productive resources. Hence, businesses can be owned by the following categories of bodies/persons:

a. Federal government investments;
b. State government investments;
c. Local government investments;
d. Organized private sector investment;
e. Individual investments;
f. Foreign investments;
g. Community leaders;
h. Religious groups;
i. Petty businesses; among others.

In view of the foregoing, captains of industries/businesses; top government functionaries; foreign nationals; country representatives and international experts lead negotiation teams for business organizations, government, multinational enterprises, and international organizations respectively. Moreover, negotiations involving employers (public or private) and employees have union leaders at the negotiation table for their employees. In addition to the aforementioned, there are situations where members of the public, civil society, interest groups, sectional groups, rebels/militant, and religious organizations show sympathy on other conflicting groups or have their interests to be protected or their demands to be met. Where this arises, they are at liberty to have their representatives or agent at the negotiation table.

Those who aim to do business in Nigeria stand a better chance by getting acquainted with the Nigerian negotiation scenario. The value of learning to negotiate with Nigerian managers is therefore an important and bold step and achieving business negotiations and launching into the business sector. Where this area is ignored, those coming to do business in Nigeria may fail. Cases of this incidence (either examples of negotiation failures), owing to a lack of knowledge about Nigerian negotiating style and culture would go a long way to have effective negation by managers in Nigeria. The issues highlighted hereof are further addressed in this discourse.

Values that play out in Negotiation in Nigeria

Nigerians do a lot of work in teams and managers constantly manage them. Nigerians prefer the use titles, including of course, traditional titles such as chief and these titles are peculiar to different cultures or ethnic affiliation. Equally, the use of Mr. /Mrs. /Ms., academic titles and surname is common. This further implies that the use of first name of business client is not common. Titles are of utmost importance. Many Nigerians will insist on being addressed with full titles at all times. Some occupations are used as titles as well; such as lecturer, "*engineer*", "*manager*", "*auditor*". Greeting processes are very important in Nigeria. Business negotiators must take time to exchange pleasantries and ask about each other's well-being. To shake someone's hand is common; if you are a man greeting a woman, wait for her to extend her hand first. Remember to shake hands with everybody when you enter a room and go through the obligatory, fairly lengthy introductions with warmth and good grace. Try to greet each person in a group individually, in order of seniority. This is a common sign of respect, which can also be applied to superiors. It is also appropriate to bow one's head when shaking the hand of someone much obviously elderly. When speaking to superiors and seniors, try to avoid eye contact. In

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general, Nigerians make much less use of eye contact than members of Western cultures. Insisting on looking others in the eye during a conversation might easily be taken as a sign of rudeness or even aggression. There is no exact way or time to exchange business cards, but one should always try to accept them with both hands or with the right hand – never with the left. It is acceptable to always take a moment to examine the business card. The business cards should be neat with nothing written on them. Punctuality is valued, but also, due to the erratic traffic conditions, being on time can be quite hard.

Patience is a virtue one will surely need when doing business in Nigeria. It is often wise to schedule important meetings well ahead and to call in the preceding day to confirm. It is equally worthy of note to remember that there are a number of different ethnicities, cultures, and religions living side by side in Nigeria. Make sure to ask co-workers about their background in order not to offend anybody by accident. The "*thumbs up*" sign, which in Western societies usually denotes that everything is all right, can be very offensive in Nigeria. The Concept of personal space is almost nonexistent in Nigeria. It is quite normal for people to stand close to one another when talking or standing in line. While this may seem unpleasant to some, be tolerant and do not tell people to back off. Nigerians are smartly dressed in the formal setting but can be gorgeously dressed during occasions. Relative importance of a would-be business partner, client or otherwise may be judged on the individual's appearance. Again, Nigerians are religious and expect that their religious beliefs be respected.

Negotiations arise while establishing strategic partnership, undertaking joint ventures, performing strategic alliances, mergers and acquisitions, creating networks and virtual or process-oriented organizations, maintaining industrial relations, and within other complex transactions, comprising numerous issues and parties as well as involving considerable risk or even uncertainty, caused by the impact of turbulent environment. Taking into account presented features of contemporary business negotiations, it should be concluded that global business environment stimulated by modern information technology is highly challenging to the managers within present companies, especially from the point of view of performing negotiation processes effectively enough. Therefore it is necessary to specify the roles and functions being accomplished by the managers within those processes. Thus the objective of the paper is to present author's concept of the description of those roles and functions, which is based on the original, complex model of negotiations in a company. Unfortunately the issue to be discussed in the paper is not investigated thoroughly enough in the research and literature on negotiations.

Africa's Business Negotiation Experience – focus in Nigeria

African countries grew out of colonialism in the political sense, but the hopes and aspirations of member states were also to attain economic independence. Hence, governments of African states had remained resolute in negotiating with governments and authorities of the developed economies and corporate business organizations, especially foreign multinationals. Nigeria, the giant of Africa has played a major role in business negotiations but more so, in collaboration with other African countries through regional organizations such as New Partner for African Development (NEPAD). Although many regional organizations had existed hitherto, the development experience of African economies remained bleak, slow and unpromising. The establishment of NEPAD came as a merger of the New Millennium Partnership for Africa's Recovery Program (MAP), the merger which was finalized in July 3, 2001. Of course, one of the cardinal principles of NEPAD is ensuring that there is a capacity to lead negotiations on behalf of the continent on major development programs that require coordination at a continental level.

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Business negotiation is very important here owing to the fact that foreign aids policy has been a custom for almost every project on Africa's development and NEPAD is no exception. Aid from G8 and OECD countries are accepted to be the main source of Africa's economic renewal and NEPAD actually desires to foster and regulate this system. On the other hand, an analysis according to economical parameters also brings an opposition to the idea to stake Africa's future on foreign states. Scholars suggest that instead of aid from donor states, Africa needs development assistance, opening international markets to African products, reduction and write-off of debt, increase of domestic savings and more and fairer trade. Economic growth can be secured by the increased activity of private sector using Africa's domestic sources rather than governmental assistance of donor states. It is therefore mind-probing to know how well Africa has been able to negotiate in this direction.

According to Economic commission for Africa (ECA) (2017), African countries are constantly engaged in negotiating bilateral and multilateral treaties and several contracts for the exploration and development of extractive resources. However, most of them lack the requisite institutional capacity to ensure the interests of their countries are advanced through these negotiations. This was the view expressed by experts at the third annual International Economic Negotiations workshop being held in Accra, Ghana, which is organized by the Economic Agreements Working Group at the Capacity Development Division of the UN Economic Commission for Africa. About 50 participants, representing African countries, Regional Economic Communities (RECs) and the African Union Commission attended the four-day workshop. The key objective of the workshop was to provide an opportunity for negotiators from all African countries how best to advance their national interests through carefully designed international agreements and contracts. It was cautioned that countries must not negotiate because someone on the other side of the table wants an agreement, noting that very often, Africa's negotiation agenda is set by others. The forum observed that international tax, trade and investment agreements as well as mining contracts have been marketed to Africa for too long with a promise that the moment these agreements are signed, the investments are going to flow, jobs are going to be created, the economy is going to flourish and everything is going to be well. But, of course, that has not happened.

The workshop was premised on the understanding that the existence of an enabling international environment within which to compete and succeed and the capacity of African negotiators to influence the terms on which that competition takes place could improve considerably in many African countries' economies. It was cautioned that Africa must stop sending people who do not have the capabilities and capacities to negotiate its treaties and contracts, hence, it was underlined that Africa will start to win in negotiations only if it has competent and committed negotiators who are ready to make all necessary preparations to understand their mandates, define their negotiating strategies and follow them through with tact and discipline. According to the organizers and resources persons, it was deciphered that Africa can tap from the experience of Ghana which has embarked on an aggressive industrialization agenda. In this case, the need for skilled and effective negotiators is critical so that African governments will be able to avoid the mistakes of the past. International Economic Negotiations workshop is going from strength to strength and there is a lot of demand for this type of training in many countries in Africa. For instance, in November 2017, the Capacity Development Division of ECA organized a dedicated training workshop to Nigerian trade and investment negotiators at the request of the Government of Nigeria in the context of the recent establishment

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of the Nigerian Office for Trade Negotiations (NOTN). Thus, Nigeria, and indeed Africa as a whole has much to desire to improve her negotiation experience.

African countries are taking business negotiation to a greater height within the African continent, especially in the establishment of corporate bodies that will ease trade negotiations within and outside Africa. Sometime in 2015, about three blocs (sub-regions) within Africa initiated the establishment of Continental Free Trade Area (CFTA). Negotiations ensued and in 2017, a Continental Free Trade Area (CFTA) in Africa was eventually established. Nigeria was initially lagging but later (in 2017) commenced negotiations to facilitate the adoption of the trade deal.The three Regional Economic Communities (RECs) that pioneered the program are the Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC) and Southern African Development Community (SADC). They initiated the move and reached an agreement in 2015 to expedite the process towards the operationalization of the tripartite Free Trade Area.

The Nigerian Negotiating team did a follow-up and negotiated and became part of the agenda using many approaches, including text-based negotiations in the Technical Working Groups (TWG) of the Negotiating Forum for the Continental Free Trade Agreement (CFTA).Enelamah (2017) noted that the Nigerian trade team will continue to argue for "*flexibility*" that allows it to safeguard the economy from a flood of imports, even as it remains an open economy."*These negotiations are a geo-strategic imperative because of Nigeria's standing, position and leadership*", Enelamah (2017) remarked. Considering her usual leading role in the business of Africa, Nigeria has a duty to provide leadership, inter alia, because the CFTA negotiations are based on a mandate from the Summit of Heads of State and Government of the African Union (AU). Enelamah (2017) further remarked: "*increasing intra-African trade is crucial in a global economy that is turning protectionist*". The CFTA negotiations provide a huge opportunity for economic growth and increased welfare in Africa, in a global economy in rapid but uncertain transformation. Nigeria and indeed Africa need to take into cognizance the complexities of her domestic market and ensure appropriate safeguards for economic boom.

Nigeria is making serious progress in the area of negotiation through the development of strategies for trade expansion. The current development where the Nigeria's Ministry of Industry, Trade and Investment has launched its report is a bold step to enhance trade negotiation. The report is captioned "*Nigerian Annual Trade Policy Report (NATPOR)*". The policy (NATPOR), which is a yearly documentation of the trade and associated policies, particularly investment of the federal government, is expected to serve as a driver for modernization, diversification, growth, development and job creation in the country. Improved negotiation has the potential to improve trade activities in Nigeria. The first edition of NATPOR titled "*Trade for Modernization, Growth and Job Creation*" captures four key highlights, namely: the direction of travel in trade policy and associated negotiations, the strategic focus on Switzerland, a country with which Nigeria is building strategic trade and economic relations. The government of Nigeria has also established the "*Presidential Enabling Business Council (PEBEC)*". The "*PEBEC*", is an initiative of the President Buhari-led administration to create an ease for doing business in the country.

Case Studies

There are so many instances of delayed negotiations or outright business failures at different levels of development due to inability of negotiators to understand the Nigerian cultural, economic and political values. However, a few of such instances are presented here.

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The $182 million Halliburton bribery scandal

Halliburton is the world's second largest oilfield services corporation with operations in more than 70 countries. It has hundreds of subsidiaries, affiliates, branches, brands and divisions worldwide and employs over 50, 000 people. The company has headquarters in the North Belt Office in Houston, Texas and offices in Dubai, United Arab Emirates, where chairman and CEO, works and resides to foster the company's Eastern Hemisphere Growth. Halliburton's major business segment is the Energy Services Group (ESG), providing technical products and services for petroleum and natural gas exploration and production.

Halliburton Bribery Scandal dates to 1994 when the Nigerian government launched ambitious plans to build Bonny Island Natural Liquefied Gas Project. A network of secretive banks and offshore tax havens was used to funnel US$182mn in bribes to Nigerian officials in exchange for US$6bn in engineering and construction work for an international consortium of companies that included a then Halliburton subsidiary. Thus, top Nigerian Officials are linked to the Nigeria-U.S. oil bribe. What began as business negotiation has turned out to be a bribery scandal and business failure? This is exactly what it is. In 2010 Nigeria indicted former US Vice President Dick Cheney, who was CEO of Halliburton before he was elected, only to later clear him when Halliburton worked out a US$35mn settlement. Leaked records from HSBC, a huge global bank based in London, reveal new details about the bank's role as a conduit for the bribes.

Here, the chief negotiator was Jeffrey Tesler for the company and some Nigerian officials for Nigeria. Tesler was then, in his own words, "*a simple lawyer*" from North London. He grew from advising UK-based Nigerians on property deals to relishing his relationships with successive Nigerian military and civilian governments. Tesler began planning the bribe payments in 1994 and transferred small amounts of money through Switzerland in July 1996. But by 2003, his role had escalated.In one brazen episode in the Nigerian capital, Abuja, Tesler directed the drop-off of a travel bag stuffed with US$1m in the foyer of a luxury hotel where the per-night cost of a suite can exceed the nation's average annual income of US$3,000. It was one of at least 20 money transfers that Tesler made or directed. The cash was destined for Nigeria's ruling party via the state-owned oil and gas company, the Nigerian National Petroleum Corporation (NNPC), according to an official Nigerian report.Months later, in April 2003, the governing party scored an overwhelming victory in an election marred by vote rigging, fraud and violence that killed at least 100 people.

Switzerland's famous bank secrecy laws encouraged Tesler to use the country as base for moving bribe money. And HSBC Private Bank (Suisse), with offices near luxury hotels in Geneva and Zurich, was his preferred bank. When US authorities seized 12 of Tesler's Swiss accounts in 2013, five were with HSBC - more than any other bank. The files obtained by Le Monde and ICIJ show that nine people, including members of the Tesler family and Nigerian nationals, held a variety of roles with accounts at HSBC Private Bank (Suisse) between 1990 and 2003 - months before the completion of the gas plant. Nine of the 12 accounts instructed HSBC to keep all correspondence under lock and key in a bank safe.

The Case of Investors Leaving Nigeria due to failed Negotiation with Host Communities

Apart from bribery scandal, there are many cases of companies folding up, especially in the Niger Delta oil rich zone due to inability of the companies to negotiate with the host communities. Recently, the Boko Haram upsurge in the North-Eastern part of the country has sent many companies packing. The situation has become so worrisome because, even the government of Nigeria seems not to have the capacity to contain the menace associated with the upsurge. Onah (2008) reported that no fewer than 38 manufacturing, oil servicing and other

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companies have packed and left Rivers State in the last five years following the upsurge in violence in the state and the Niger Delta. In spite of the violence, however, "*some other companies of American and French origin have moved into the state to do business*."Of particular note among those who have vacated the city are the Lebanese who were over 140 families doing business in Port Harcourt, but less than 30 of the families are now left in the state. Those who have also deserted the city are Arabs of the Middle East and of Africa and Asians too. This is just a case of a city in Nigeria and happened when the security challenge has not escalated to the height it has assumed recently. For instance, the Boko Haram insurgence had not developed into a terrorist group it is known following the abduction of the Chibokand Dapchi school girls in 2014 and and 2018 respectively.

The militant uprising in the Niger Delta Region of Nigeria has been lingering with violence for years. The militants have engaged severally in failed negotiations, placing outrageous and unattainable demands and in most cases refuse out rightly to appear in the negotiation table. Hence, businesses, mostly oil business have been grounded. During this period also, the volume of oil theft has heightened. The report of the LedumMitee led Technical committee on the Niger Delta shows that Nigeria lost about 8.84 trillion naira or 61.6 billion US Dollars to oil theft and sabotage in the volatile Niger Delta Region between 2006 and 2008 (Paki & Ebienfa, 2011).Companies had to shut down production, although this varies from company to company, depending on the power of negotiation. Shell Petroleum Development Company (SPDC), which account for about 60 per cent of Nigeria’s production suffered the most disruptions in its operations.

For instance, from previous production capacity of about one million barrels per day, shell’s production’s delivery drastically reduced to an alarming 140, 000 barrels per day between 2008 and June 2009 (85.9 per cent drops) in production output. In most cases, these militants refuse to appear in the negotiation table and take to arms for illegal negotiation for ransom. For instance, Julius Berger, a foremost construction company in Nigeria has abandoned most of its contract jobs due to persistent cases of kidnapping and abduction of its staff. Julius Berger pulled out of the construction of East – West road because in a particular year the company paid over 430 million naira as ransom.

Business negotiations as applied in the Nigerian business environment

It is assumed that business negotiations should be treated as a specific process; i.e. complex venture (project), including many activities of the parties interested in reaching agreement and resolving conflicts that may occur. Those activities interact with one another in many different ways.

Negotiations are strictly subordinated to establishing company’s objectives as a specific type of an organization. They are necessary for both establishing company’s interactions with environment and determining internal cooperation. Moreover, regarding negotiations as an interactive decision process, allows us to notice their indiscrete relation with management process. For each specific negotiation situation it is a particular manager or other employee – company representative or a member of negotiating team (subordinated to that manager due to the delegation of authority) – who is responsible for performing negotiation process.

Negotiations objectives are strictly (directly) determined by the needs and requirements of particular venture, project, transaction etc., which is performed by using negotiations as a specific managerial instrument, e.g. buying or selling goods, establishing compensation systems, gaining financial resources and so on. Those objectives are also depended (indirectly) on overall company’s goals, stemming from its strategy and mission, e.g. expansion on new, promising

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markets, investment in up-to-date technology, or alliances with other companies. Such goals constitute negotiations external objectives, formed by managers supervising negotiations and expressed by general effectiveness criteria for particular ventures, such as profitability, productivity, etc. Partial negotiations objectives (tasks) are determined by other dimensions, the scope in particular and concern specific issues to be negotiated.

Negotiating as one of Managerial Roles

For each particular negotiation in a company their principal is a manager at higher level of hierarchy or an employee to whom responsibility for supervising negotiations has been delegated. Such a person is also responsible for performing negotiations, and accomplishing their goals. It is either a member of functional department or project team (usually in intra-organizational negotiations) or company representative (individual or member of negotiating team), which occurs within inter-organizational negotiations. Therefore managerial functions in negotiations must be seen in the context of typical roles and competencies of executives. Playing that role manager represents the organizations in different negotiations, either intra - or inter-organizational ones. Thus, the manager takes responsibility for achieving the best possible results in terms of the objectives of negotiations and the company as a whole; makes decision to initiate negotiations; appoints (nominates) team leader and approves the composition of the team; assigns tasks and delegates decision-making powers to the leader; monitors team activities and the progress of negotiations; approves key decisions in the negotiation process, especially in terms of making major concessions and commitments; formulates final draft of the agreement (ratified later on higher level of hierarchy); makes necessary interventions or direct involvement in conducting negotiations (if it is appropriate); acts as team leader in the case of direct participation to negotiations; evaluates the effectiveness of negotiations – external assessment from the point of view of general company goals. Also, managerial roles and functions according to Kennedy (1998) in negotiation process to include: focus on the process of the discussion on solutions; maintain objective attitudes to the solutions; refrain from considering and judging substantial matters; determine rules of discussion; do not allow to interrupt sides’ statements; release each option from a list of possible solutions; refrain from negotiating until all points of view are presented; maintain adequate distance to the conflict; do not intervene in the situation that does not apply to you as a manager; be objective – do not take sides. Others the author further highlighted to include: choose the right moment of intervention – preferably at the request of the parties, necessarily when the situation comes to deadlock; manage the conflict, but without taking responsibility for its solving; and focus on the future; concentrate on the facts of the situation; conduct the mediation session so that each side can present its viewpoint without interruption; meet with the parties individually, if necessary; focus on the relationship; and put the agreement in writing.

The leader (head) of any negotiation team is the chief negotiator and is responsible for controlling (managing) entire negotiation process. His (her) particular tasks are as follows: determining partial (detailed) objectives of negotiations and their strategy and techniques; identifying and acquiring the resources necessary to conduct negotiations; determining the time and place of negotiations; designing the composition of negotiating team (choosing representatives);assigning team roles and tasks as well as delegating responsibilities to other team members (spokesperson, experts, behavioral and data analysts and so on);presenting proposals to the other side and making necessary concessions and commitments; coordinating entire negotiating process and facilitating teamwork, evaluating the effectiveness of negotiations

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– internal assessment, i.e. within negotiating team and considering particular negotiations objectives.

Managers as Mediators

Finally, it is necessary to describe specific managerial role in negotiations which is mediation, usually applied to facilitate resolving internal conflicts in a company by the executives (leaders) in particular teams of employees. Generally speaking, mediation is "*the intervention into a dispute or negotiation by an acceptable, impartial, and neutral third party, who has no authoritative decision-making power to assist disputing parties in voluntarily reaching their own mutually acceptable settlement of issues in dispute*". It is a "*technique of staving off or curbing a dispute, involving the participation of a third neutral party. The mediator assumes that the object of the conflict is a matter of its participants, so does not impose any solutions, but allows the parties to find a compromise*" (De Sttephen, 1988). The objective of mediation is to implement such course of action by the "*third party*" to:

a. prevents the escalation of the conflict, which may hinder or even preclude proper functioning of the organization or, in the case of a conflict between different organizations, may lead to the rupture of mutual contacts;
b. contributes to the reduction of intensity of the conflict, which is measured by the divergence of interests (goals) of the parties;
c. Leads to a settlement of the conflict or solving it by such an arrangement of the situation that it is acceptable to both parties.

The mediator role is to control the activities of the antagonists and creating kind atmosphere. The mediator monitors the communication, not allowing inappropriate behaviors that may contribute to the escalation of the conflict (De Sttephen, 1988). Within any intra-organizational conflict manager at a suitable level of hierarchy plays the role of mediator.

Specific Approaches Nigeria adopts in Negotiation

Nigeria adopts integrative bargaining in negotiation. This form of negotiation, Robbins, et al., (2012) noted, seeks one or more settlements that can create a win-win solution. Again**,** third party plays significant role in negotiation in the Nigerian context. This applies mostly at governmental level where government representatives bargain with business and trading partners in other countries. On the other hand, managers of business organizations are involved in the negotiation process in the private sector. This is direct negotiation. Therefore, direct negotiation is prevalent among those in the private sector with a third party only performing the role of a witness or observer.

Nigerian managers and negotiators, like their counterparts in other African countries are faced with conflicts in the course of negotiation. In the private sector, conflicts of interest may arise as many competitors bid for business interest. This may sometime push for legal means to meet up with the company's target. Again, the rising incidence of youths' militia, political rivalry, terrorism, communal crises and resistance to business organization are very serious puzzles for managers and negotiators. In the public sector, government's programs for business development are challenged by policy inconsistencies, destructive criticisms from opposition parties, corruption, among others. Consequently, many times business negotiations are carried out, they end up in conflict.

Nigerians, especially managers must get to the realization that in the pursuit of business goals and objectives as well as other facets of human lives, opportunities and requirements for negotiation arise daily at different environments and locations within the local and international levels. Negotiation implies a person conferring with another so as to arrive at the settlement of

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some matter. Negotiation is a basic means of getting what an individual wants from others. It is back-and-forth communication designed to reach an agreement when people have some interests. The negotiators display skills that are most likely to convince each other to get into such an agreement.

Further, negotiation in Nigeria in most cases is carried out informally. Although there are times when there is a need to negotiate informally, informal negotiation takes a high toll in Nigeria. Most times, when it is challenging negotiating formally, the parties concern or some persons in the negotiation team may extend the negotiation process, which may result in the parties resolve to meet informally. It is therefore very common to see business moguls, including foreign nationals and business representatives, captains of industries in their numbers at functions organized by top government functionaries. Such functions include anniversary, marriage ceremony, birthday parties, and political rallies, funerals, accompanied with exchange of gifts, cash and very expensive entertainments. Consequently, most government businesses are contracted without due process and adherence to enabling laws. Therefore, in any negotiation process, attitude, knowledge of the Nigerian context and of course, interpersonal skills play important roles. Negotiation is strongly influenced by underlying attitudes to the process itself, for example attitudes to the issues and personalities involved in the particular case or attitudes linked to personal needs for recognition.

The more knowledge one possess of the issues in question, the greater one's ability and opportunity for participation in the process of negotiation. Nigeria attaches great significance to negotiation in the present administration of President Muhadu Buhari, which began in May 2015. Thus, the office of the Chief Negotiator and Director-General of the Nigerian Office for Trade Negotiations (NOTN) has been created. This feat has raised the negotiation potentials of Nigeria as it has released

Negotiation in Nigeria cuts across both private and public sectors. In the private sector, it is increasingly more competitive than in the public sector. Those making demands as much as the legality of their demands can expand implore techniques to get management to accept their demands. However, the human factor of personal relationship plays vital role in the Nigerian factor (this is not however the right thing). This is outside the much reported "*kick-back*" syndrome which held sway in Nigeria before the outset of the Muhammadu Buhari led administration that has been eulogized with his "*anti-corruption mantra*". Of course, this seems to be yielding fruit in three visible areas. First, there is a serious hunt on those having corruption case(s) in the area of bribery for business deal in the private and public spheres. Secondly, any business deal currently ongoing in Nigeria can be so done with ethical consideration devoid of the usual "*kick-back*" syndrome. Thirdly, there is a renewed invasion of the Nigerian business environment for business deal, as against a couple of years ago when most multinationals withdrew their business commitments in Nigeria as a way of protesting against illegal demands to provide a platform for business negotiation.

Another aspect of negotiation that is very serious and rampant in Nigeria is the labour unrest between employers and their employees mainly promoted through the increasing actions of frowning unionism. In most cases, offices are closed for several months and sometime close to a year.

Apei (2008) in an exploratory study examines cultural characteristics of Nigerian negotiators. The author noted that as Nigeria constitutes a major market in Africa, knowledge of what behavior to expect from Nigerian negotiators can facilitate the negotiation process. People from other countries wanting to do business with Nigerians should familiarize themselves with

Citation Information: Okon, E. (2023). Negotiating with managers from africa: The nigerian approach. *Journal of Entrepreneurship Education, 26*(S6), 1-15.

the way culture is likely to influence the 10 negotiation factors. They will then be better prepared to interpret and understand their counterparts' behavior at the negotiation table, and to communicate effectively.

The study by Apei has great implications for negotiation among managers in Nigeria. Inter-personal relationship and communication play vital role in negotiation. Those in the negotiation process must ensure that they understand one another and this can be achieved through effective communication and ability to create inter-personal relationship.

Okoro & Day (2013) conducted a study on critical analysis of nonverbal behavior in inter-cultural communication between Nigerians and Non Nigerians during business transactions. Findings from survey of more than one hundred respondents (Nigerian business men and women) residing in Nigeria and in the United States over a period of eight months (2011– 2012) were interpreted and analyzed. Specific nonverbal communication variables of the study included silence, non-verbal feedback, facial expressions, voice volume, gestures, and eye contact. The survey comprised demographics and open-ended questions, and was pilot-tested by a sample of business people of multiple ethnicity and gender. Using survey and face-to-face interviews, this research expands research on specific behaviors of Nigerian non-verbal communication in the larger African context. It identifies unique nonverbal symbols essential for effective business negotiation in Nigeria, and provides appropriate culture. The study recommends communicating cross-culturally and nonverbally with Nigerians during interpersonal communication and group negotiations. Finally, the study stresses the significance of enculturation in Nigeria by identifying adjustment strategies associated with nonverbal behavior in cross-cultural business negotiations. Essien (2014) noted that Nigeria is composed of more than 250 ethnic groups that divide the country both linguistically and territorially. Okoro & Day (2013) explained that as past and present studies indicate Igbo and Yoruba tribes engage in global business at different levels, but the Igbo dominate business and entrepreneurial transactions and activities in Nigeria. Many international businesspeople deal largely with the Igbo tribe because they are more entrepreneurial, competitive, and risking-taking (*sic*). In considering negotiation among managers in Nigeria, it is pertinent to note also that the Nigerian business environment is more of micro or small scale businesses than large scale enterprises (Essien, 2014).

Final Thoughts

The Nigerian business environment is still being dominated by government influence both in ownership of productive resources and in the creation of enabling environment. This implies that both the public and private sectors are involved in business activities and of course, negotiations. Managers in Nigeria are those employed to head top-management positions both in the private and public sectors as well as Multinational Enterprises MNEs. However, they are addressed differently with names such as Managing Directors, General Managers, Country Managers, Branch Managers, Departmental/Sectional Managers, among others. Negotiation in Nigeria in the managers' perspective is quite complex as managers are faced with a business environment that is complex with cultural and ethnic plurality. Howbeit, managers have as critical, the role to negotiate for their establishments. Meanwhile, various links are opened for negotiation. The links or arms opened for negotiation which managers in Nigeria must bear in mind our reach out to avail the organization, a peaceful organization existence include but not limited to Figure 1:

1. Host communities
2. Suppliers

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3. Employers
4. Customers
5. Government
6. Financial institution

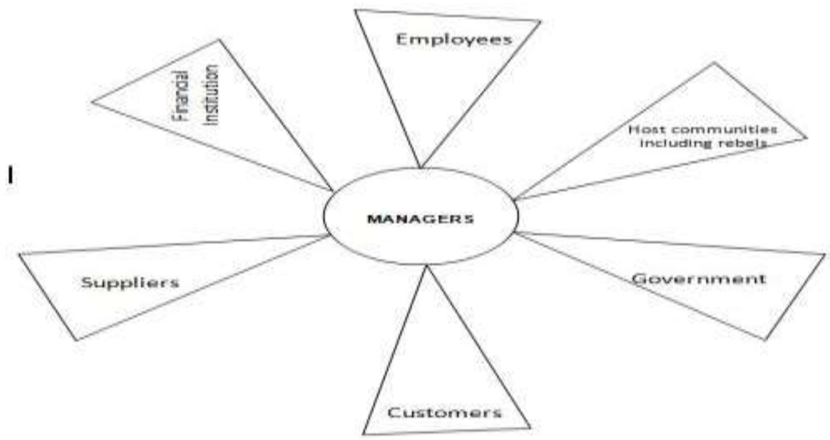

FIGURE 1
NEGOTIATION LINKS: DEVELOPED BY THE AUTHOR (Okon, 2020)

Negotiating with Host communities

Businesses are located in communities. The most community is at liberty to lease or sell land to organizations that approach them. The process of acquiring land for building business premises requires negotiation by managers. Managers are therefore poised to negotiate for conditions that will not in any way constraint the business in the future.

Again, managers negotiate on the area of social responsibilities to the host community and are supposed to live up to their social responsibilities to avoid conflict or reduce it to the minimum. In Nigeria, it is common that most agreement entered into by companies and host communities are not implemented to the later. This often results in various serious conflicts where youths in particular form rebel or militia and embark on hostage taking/bunkering. This act originated in the Niger Delta Region while most oil companies operate. However, the ugly incident seems to have cut across the nation in recent times.

The poor implementation of agreement between (oil) companies in Nigeria and the host communities is reported by Agbo (2008) thus: "*it was hard to believe that there was where oil was first struck in Nigeria in June 1956. Oloibiri is still a desolate little island, despite some recent reluctant efforts to appease public conscience. The tide had come and gone, leaving dreary signatures on the once glowing town on the banks of ancient rivers that were then super waterways (Ero, 2008). The banks are now so eroded that, at full tide, the residents can fetch water from just the front of their houses. Some thatched houses were said to have caved in and gone with the tide*".The Oloibiri example hence is a living tragedy of the Nigerian situation. It is a minor with which companies including, those owned by the government can see their failed corporate social responsibilities, especially to the host communities. No wonder the youths are reluctant to put down their arms. This is a herculean talks for managers in the negotiation bid with host communities. Similarly, Ero (2008) observed that oil companies do not care about the environment.

Negotiating with suppliers (Purchasing)

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The negotiation process has become a more important task in the purchase of goods and services. Negotiation in the purchasing process covers the period from when the first communication is made between the purchasing buyer and the supplier through to the final signing of the contract. Negotiation can be as simple as trying to obtain a discount on a case of safety gloves through to the complexities of major capital purchases. A purchasing professional must aim to be successful in their negotiations with suppliers to obtain the best price with the best conditions for every item that is purchased. Companies of course, look to reduce their expenditure whilst increasing their purchasing power. This means that managers or their representatives in the purchasing process must display purchasing skills with negotiation principles. As professionals, they have to negotiate increasingly better rates with suppliers whilst maintaining or increasing quality and service according to the organization's standard and benchmark. Some companies have long lists of suppliers and would want to compare services among these suppliers. This will determine the companies where the actual purchase could be made (would purchase different items from which required purchasing resources to spend limited time on negotiating the lowest prices). Where a particular supplier offers quality services, it is common to see the purchasing rationalizing the supplier base and enter into long-term agreements with single-sourcing. This offers companies the ability to negotiate significantly lower prices for items. Negotiation can also involves the patronage of few suppliers – either moving away from lowest price scenario to negotiating with fewer vendors to obtain the lowest price with the best service, quality, and conditions. The aim is to reduce overall spending rather than negotiate the lowest price with a large number of vendors, which did not give the best overall result. The negotiated long-term contracts with a few suppliers or vendors tend to enhance a more business partnership relationship between buyer and supplier. The relationship can also save the time of fresh negotiation that may arise in search of new partnership or business deal. In this type of partnership, or relationship, the buyer will encourage the vendor to increase quality service and the vendor knows that by doing this the partnership will continue with a renewed contract with guaranteed sales.

Negotiation in a non-governmental organization may not be quite different from that explained above. However, the process may involve the application of contract rather than direct order as done in a private business undertaking. The contract begins with prequalification through contract bidding and tender process. Here, purchasing items or services of significant cost will require extended negotiations to arrive at a final contract. Managers or their representatives must exhibit purchasing professionalism in this type of negotiation to ensure their companies obtain the best price with the most favorable terms. This can be guaranteed through professional training in negotiation skills. On the other hand, purchasing staff in the purchasing department can be trained so that the manager can assign any member of staff to negotiate for purchases. In any case, purchase negotiation should begin with the setting of clear and specific objectives.

CONCLUSION

Negotiating with Employees

Negotiating involving employees usually centres on increased salary, incentives and condition of services. Managers are at the position to protect the company. However, the welfare of employees should not be swept under the carpet. Nigeria has witnessed frequent industrial

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action in both the private and public sector. This therefore is putting managers at a tied corner during negotiation. It is good that managers avoid a situation that may bring about town-tools.

Negotiating with Customers

This is not as complex as customers are not so free in the bargaining process since most businesses have price tags on their products and services.

Negotiating with Government

Businesses operating in Nigeria are obliged to operate within the nation's laws and policies guiding business operation. However, there is room for negotiation, especially when a case is established on ground of default. This may not be a legal tussle but the law making bodies at the initial stage of observing fraud or poor services can invite the company involved. For instance, when MTN Nig. was observed in tax default and poor services, the National Assemblies invited the company. An agreement was therefore struck since that the initial amount alleged to have been own by MTN was reduced and the payment plan was negotiated and agreed. The success achieved can be accredited to the sagacity of the manager.

Negotiating with Financial Institutions

Managers negotiate to ensure the best condition in which any loan can be obtained and the repayment plan most conducive for the organization final thoughts. Negotiation by managers in Nigeria is still characterized by difficulties due to the complex nature and plurality of the Nigerian culture. The business environment is booed into cultural and political considerations. Nevertheless, the manager is left with options and strategies to adopt depending on the circumstance. Presently, it is observed that the Nigerian business environment needs more attention by mangers, especially in the negotiation table to douse all forms of tension generated due to upsurge of militancy, industrial actions and political influence.

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