

NEGOTIATIONS UNDER PANDEMIC

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Purpose: to present the concept of describing the determinants of socio-economic negotiation processes resulting from the Covid-19 pandemic.

Design/methodology/approach: the paper is based on the author's own concept of negotiations description supported by the comparative analysis of selected works by other authors.

Findings: comprehensive explanation of the specific determinants and features of negotiations in pandemic, including both positive and negative impact of Covid-19 on negotiations; such explanation reflects their real nature (essence) and allows us to conduct them effectively as well as facilitate the research on them.

Practical implications: the presented concept can constitute useful basis for the analysis of unusual negotiation situations, deviating from the routine, as well as the ones conditioned by the pandemic.

Social implications: that concept helps to be aware of specific features of such negotiations and to develop proper attitudes to them, substantially reflecting those features.

Originality/value: the paper contains original author's concept which contributes to the performance of managers and other people responsible for conducting negotiations under pandemic. The clarification of specific features of such negotiations facilitates searching for effective tools of conducting those negotiations in practice.

Keywords: socio-economic negotiations, pandemic Covid-19, the impact of pandemic on negotiation processes.

Category of the paper: viewpoint.

1. Introduction

There has been a Covid-19 pandemic in the world for more than three years. Its impact significantly and quickly changes the nature and course of many different types of projects. It has a significant impact on our professional and personal lives. It also concerns the processes of socio-economic negotiations, which are therefore becoming more and more difficult and even unpredictable. Therefore, it becomes necessary to identify and analyze the nature and scope of the impact of the pandemic on these processes.

The aim of the article is therefore to present the author's concept of describing the determinants of socio-economic negotiation processes resulting from the occurrence of the Covid-19 pandemic. These determinants can be of two types.

1. Negative, i.e. defects, weaknesses, difficulties, etc., which constitute significant limitations to the negotiation processes, hindering their implementation.
2. Positive, i.e. advantages, strengths, facilitations, etc., which create new opportunities, facilitating negotiations.

It can be assumed that the conditions of the first type prevail, because the pandemic mainly has a negative impact on all spheres of our lives. The latter ones have a much lesser impact on the conduct of negotiations.

2. Literature review

As far as the state of research on the impact of the pandemic on the processes of socio-economic negotiations, a number of publications on this subject have been published in the last three years. After their careful analysis, the most representative bibliographic works were selected. Many of them are of a general nature, i.e. they refer to the entire negotiation process, e.g. (Majchráková, Kremeňová, 2022; Najam, 2020; Shonk, 2020). Some of them concern selected types of negotiations, e.g. international (Sarnet, 2021; Yu 2021), in the field of mergers and acquisitions (Subramanian, Petrucci, 2021), or collective ones (Fay, Ghadimi, 2020). Some works deal with negotiated agreements (Anisimovic, 2020; Johnston, Meakin, 2021; Mulligan et al., 2022; Subramanian, Petrucci, 2021). Others focus on detailed negotiation tools, e.g. making proposals (Kowalewski, 2021) or selection of effective negotiation techniques (Nandkeolyar, 2021).

3. Research methods

The paper is of theoretical character, i.e. contains author's original concept. In order to describe the determinants of negotiations under pandemic in the main parts of the paper, the author's original approach to the key aspects of the interpretation of negotiations was adopted as a methodological scheme (Kozina, 2018, pp. 13-17), i.e. as a process, method of conflict management and reaching agreement, mutual dependence of the parties and processes of: decision making, communicating, mutual exchange and value creation. These aspects were distinguished based on the analysis of the extensive literature on the subject, e.g. (Jung, Krebst, 2019; Lewicki et al., 2018; Rockman et al., 2020; Thompson, 2013). The author's own approach

to the considered determinants was supplemented with selected findings by other authors based on a comparative and critical analysis of the literature on the subject.

The next parts of the paper present the results of the analysis of the determinants of negotiation processes resulting from the impact of the pandemic. These results were compiled in accordance with the aspects of the interpretation of the negotiations distinguished above. In some cases, recommendations are also included that may counteract this impact. Based on the description of these conditions, the summary lists the essential features of negotiation processes in the era of a pandemic and indicates the directions of research enriching the proposed concept.

4. Negotiation process under the pandemic

Negotiations are a comprehensive action extended over time, including a number of sub-processes (stages, phases), and within them specific actions, carried out sequentially, in parallel and/or cyclically, as well as a number of events and interactions between the parties. An important feature of negotiations is their changeability, which makes modelling them difficult. They are auxiliary in relation to the processes and basic projects implemented in the organization.

Due to their complexity and volatility, negotiation processes in general, and those discussed here in particular, are not easily structured. They are difficult to program into procedures. They can have a disorderly, unpredictable and even random course. Many activities are carried out intuitively.

One should agree with the opinion that the pandemic not only multiplied the number of negotiation processes and changed their form, but also caused a change in the perception of the process by the parties. Today, negotiations often take place at a much higher level of emotion. This is because people often transfer to the negotiation process a sense of personal threat, uncertainty about the business future and the stability of the conditions in which they operate in the process (Kowalewski, 2021).

On the other hand, the occurrence of a pandemic, and in particular the virtualization of contacts, makes the implementation of negotiation processes faster, as it is necessary to consider fewer issues and requires simplified coordination of activities carried out as part of a smaller number of interactions. Negotiation processes are simplified and spontaneous, somewhat reflexive, located in areas where a problem arises that requires their use. In addition, it is difficult to undertake multilateral negotiations due to the limited possibilities of analyzing their context, arranging talks and conducting them.

5. Negotiations during the pandemic as a method of conflict management

This is their competitive dimension, as their parties strive to achieve their own goals and obtain the best possible results. Negotiators have divergent intentions and differing views on the contentious issues under consideration. It is therefore necessary to consistently seek solutions to these issues. Contradictions also concern values, principles, expectations, imaginations, etc., which create the emotional context of negotiations, significantly affecting substantive issues, and in the case under consideration, having a great importance (as mentioned above).

On the one hand, due to the limited exchange of information and the narrow scope of interaction in the conditions of a pandemic, the number of potential conflicts between the parties to the negotiations is relatively small, although there may be very violent and sharp disputes regarding fundamental issues, mainly material ones. There may also be unnecessary conflicts of data and values, sometimes difficult to recognize, resulting from a lack of information and of understanding. As a result, the parties to the negotiations are then unable to properly identify and assess the causes, effects and the course of such conflicts, as well as the negotiation situation. The available data may be unreliable, erroneous, selective, incorrectly compiled, etc. or interpreted differently by the negotiators. These unnecessary disputes can stimulate real conflicts of interest. Therefore, it becomes necessary to provide a reliable and comprehensive explanation of the situation by confronting the available information, which will prevent the escalation of conflicts.

On the other hand, the relative speed of action as well as the limited and virtualization of relations, and sometimes the anonymity of partners, mean that possible conflicts are mostly short-lived, imperceptible, and cannot fully reveal themselves, let alone develop. In addition, it is easier to use competitive negotiation techniques, take advantage of the effect of surprise or asymmetry of information, strengthen bargaining power, threaten and promise, bluff, etc., because the parties to negotiations can often be "poorly informed".

6. Negotiations under the pandemic as a method of reaching an agreement

This aspect concerns their intended result, beneficial for all participants, i.e. meeting their needs. They also have common goals, so they are interested in the effects of negotiations, which are important for them (tangible and intangible). The cooperation of the parties is therefore necessary to achieve the desired level of effectiveness. This, in turn, requires the conclusion of a series of contracts (open and secret) specifying the terms of the agreement between them.

In the conditions of a pandemic, the choice of partners for cooperation is difficult, because the recognition of the negotiation environment, which is limited by necessity, increases the likelihood of interacting with random partners, which may be risky for the course and effects of negotiations. Therefore, there are cases of incorrect decisions regarding the selection of partners and/or disloyalty on their part, related to abuse of trust. The possibilities of identifying new, potential participants are also limited, in the absence of data on their credibility, reliability, etc.

In addition, in the era of a pandemic, limited, short-term or even virtual contracts are often concluded, which on the one hand frees us from permanent obligations, but on the other hand increases the risk of losses due to the partners' failure to meet contractual arrangements or the conclusion of incomplete contracts. Carefully review all your contracts to ensure that you have the right to suspend performance of the obligations involved or otherwise withdraw from contracts that are impossible to perform (Mulligan et al., 2022). In the event of difficulties in meeting the provisions of the contract concluded as a result of negotiations in the conditions of a pandemic, the possibility of invoking the so-called force majeure or an extraordinary change in relations, i.e. an event which, by its impact, destroyed the original calculations of the parties and which could not be predicted (Anisimowicz, 2020). However, care should be taken before invoking a force majeure clause as this may lead the contractor to believe that you have rejected the contract (Mulligan et al., 2022).

On the other hand, the pandemic is conducive to relying on proven partners, especially those whom you trust. Therefore, the scope of cooperation with them should be extended. In addition, contracts concluded during the pandemic are less extensive, simpler in their form and cover shorter periods of time, which reduces the risk of failure by negotiation partners to fulfil their obligations.

7. Negotiations as the mutual dependence of the parties determined by the pandemic

The interaction of the dimensions of cooperation (cooperation) and competition (rivalry), i.e. the coexistence of contradictory and convergent goals of the participants in the negotiations. It expresses the desire of the parties to achieve a result favorable to them, conditioned by the need to resolve the conflict between them. None of the parties can achieve its goals alone, and at the same time each of them can help others to achieve their goals.

In the era of a pandemic, the parties are often "doomed to each other", negotiating out of compulsion, not choice. There is much less interaction between them. Mutual relations are usually weaker, asymmetric, short-term or temporary. It is more difficult to build lasting positive relations, and even more so partnership. The negotiation process is seen as more brutal

and people have less trust in the other party (Kowalewski, 2021). In the conditions of a pandemic, there is therefore a much lower than usual probability of establishing and maintaining positive and beneficial relations with negotiation participants based on mutual trust. Of course, efforts are made to shape and maintain them to ensure effective cooperation beneficial to all, but this is not always possible and/or necessary. With limited access to data and virtualization of contacts, signals about disloyal or unreliable partners are difficult to access in the negotiation environment. What's more, generally "poorly in-formed" negotiating parties are less likely to establish and maintain positive relations and are less likely to use cooperation-oriented negotiation techniques. Cooperation and competition coexist in the form of cooperation strategies.

The positive side of the limited mutual dependence of the parties to negotiations in the era of a pandemic is that the relations between them are relatively easy to identify, and even more so to shape. In addition, you do not have to get too involved in their development, which is usually laborious and generally costly, and sometimes unprofitable or risky. Anonymous functioning in a negotiating environment may turn out to be more beneficial and even safer.

8. Negotiations during the pandemic as a decision-making process

Their most important interpretation focused on directly finding solutions to the negotiated issues by the parties involved. In the preparatory phase, this process is carried out by them independently of each other, i.e. each analyses the negotiation situation from the point of view of its goals and interests. On this basis, they determine initial solutions to the negotiated problems based on their own criteria for selecting solutions. Then, they iteratively make the necessary arrangements of variants, determining the area of negotiations, i.e. a set of acceptable solutions to the negotiated problems, based on the analysis of commonality and divergence of interests. By adopting common criteria and selection rules, they find a solution accepted by all.

In the conditions of a pandemic, all typical activities in the process of interactive decision-making by negotiators are difficult and unreliable, i.e. identifying problems, collecting and analyzing information, generating variants of solutions, selecting criteria for their assessment, making choices and necessary implementation work. This is the result of the lack of data and the limited relationship between the parties. The information needs of negotiators as decision makers are not fully met, and their decisions may be hasty, inaccurate, late, risky, etc. This increases the uncertainty of their actions.

The advantages of the decision-making process in negotiations during a pandemic include forcing the parties to decide, limiting the excess of information and no need to carefully select it, simplifying sometimes too extensive analyses and making choices faster and more precisely. As a result, decision-making processes are less time-consuming, although they are riskier.

It should be emphasized that it is not always appreciated how many decisions in times of crisis are made through negotiations. The speed and severity of the Covid-19 threat, uncertainty about information patterns, and above all, the novelty of the crisis, amplify the need and necessity of negotiations. On the other hand, the same factors make us more prone to panic (Najam, 2020). Moreover, in many situations it may be helpful to move from last resort (e.g. ultimatums, threats) to conditional measures and from a negotiating mindset to joint decision-making (Najam, 2020).

9. Negotiations under the pandemic as a communication process

That aspect concerns the mutual exchange of information, "permeating" all activities of the parties in the negotiation process, from the initial presentation of positions, through: shaping relationships, formulating and exchanging offers, persuading each other, asking questions and answering, listening, clarification of doubts, etc., until final arrangements and drafting of the contract.

As a result of the impact of the pandemic, the exchange of information in negotiations is significantly impoverished. Contact restrictions caused by the COVID crisis accelerated digitization as a large part of communication had to be moved to the virtual space (Majchráková, Kremeňová, 2022). Certainly, negotiators are not favored by a kind of artificiality of communication during online meetings. For hundreds of years, one of the elements supporting interpersonal communication, including negotiation, has been the ability to give and read signals, build relational capital resulting from direct interaction. The most important thing was meeting face to face (Kowalewski, 2021). The negotiating parties have limited access to all necessary information in real time. Not all data necessary for operation is public, presented to everyone on the forum. The lack of access to information and transparency of communication prevents negotiators from properly determining how to better achieve goals. It reduces the efficiency of analytical and diagnostic activities. It noticeably impoverishes the negotiation tools, i.e. reduces the number and quality of offers and the accuracy of arguments, reduces the effectiveness of questions, makes it difficult to clarify doubts and effectively select negotiation techniques. In addition, it is much more difficult to interpret and analyze the non-verbal messages of other negotiation participants and their emotional behavior. In general, it is impossible to fully meet the information needs of the negotiation participants, the throughput of communication channels deteriorates and the usefulness of information in terms of its detailed parameters, i.e. credibility, authenticity, appropriate form, appropriate detail, etc., decreases.

In turn, it is difficult to indicate the significant positive aspects of the impact of the pandemic on communication in negotiations. A noticeable advantage is undoubtedly the lack of the need to disclose certain data, which is sometimes a prerequisite for cooperation with negotiation partners. It's just easier to hide some inconvenient facts. You can also feel greater care for data protection and security, and sensitivity to potential threats in this area. It is easier to mask your own non-verbal signals and emotional reflexes and make it difficult for other parties to the negotiations to read their meanings.

10. Negotiations during the pandemic as a process of mutual exchange

That exchange takes place on terms jointly agreed by the parties, through mutual agreements and concessions. It is favored by the differences in the hierarchy of negotiators' goals, i.e. they strive to obtain significant resources and values, giving less important, but important for other parties, in return. It concerns not only measurable resources, but also intangible ones, i.e. ideas, concepts, solutions.

The adverse impact of the pandemic on the negotiation processes in this aspect is mainly expressed through difficulties in determining the scope and conditions of a possible exchange due to the limited scope of interaction and cooperation between the parties to the negotiations and the selective scope of communication between them. It is difficult to define and confront the preferences of the participants of the negotiations, their expectations can be and often are not disclosed or unclear. Potential exchange offers are temporary and focused mainly on material values. They can be unexpected and ill-considered. The creativity of the parties in the search for the exchange of irrational assets is limited and even undesirable. It is difficult for negotiators to find wider possibilities to meet their mutual needs. They reveal a tendency to formulate non-equivalent exchange proposals in order to achieve quick and short-term benefits, especially measurable ones. Positional negotiations, i.e. simple haggling, dominate. Possibilities in the selection of potential exchange partners and their offers are significantly limited. It is difficult to obtain and communicate complete and reliable information on the needs of the parties, as it is usually unavailable. Therefore, realistic proposals should be made, and not start with a "high C" (Kowalewski, 2021). It is particularly important to effectively listen to the partner and strive to meet their needs (Nandkeolyar, 2021). In addition, in efforts to negotiate solutions to the pandemic, three principles of negotiation are particularly useful: focusing on interests, anticipating and eliminating sources of prejudice, reaching agreement among yourself and with other parties (Shonk, 2020). Two pitfalls should also be avoided: focusing on immediate needs at the expense of long-term effects and being defensive about avoiding the worst alternatives (Najam, 2020).

The advantages of the impact of the pandemic on the considered aspect of the interpretation of the negotiations are less noticeable. Undoubtedly, greater precision is required when formulating exchange offers. They are faster and simpler and generally have a lower 'weight', so they carry less potential risk. In addition, there may be opportunities to surprise other negotiators when they are not prepared to accept certain proposals.

11. Negotiations under the influence of the pandemic as a value creation process

The interdependence of the parties and the process of mutual exchange in negotiations allow the parties to seek mutual benefits by creating additional values, which would not be possible without negotiations. These common values are the synergistic effect of the parties' cooperation. Their creation is also possible when one side has something to offer that is of little value to itself but is of great value to other participants in the negotiations - and vice versa. By exchanging these values, each side loses little, but gains a lot.

Negotiations conducted in the conditions of a pandemic are undoubtedly characterized by considerable difficulty for the parties to agree on common values that are to be the subject and effect of cooperation. Orientation on immediate effects of negotiations, their virtualization, short-term and limited relationships, and even their antagonistic nature, lack of trust, poor exchange of information about the values themselves make their co-creation extremely difficult, and sometimes impossible. At most, the prospect of quick and measurable benefits as a result of ad hoc cooperation between the parties may encourage them to try to obtain these benefits. Of course, there may be a danger of unjustified appropriation of resources, as a result of which proven partners should be relied on in search of common values. In addition, cases of this type of unethical activity are exposed on the web and widely stigmatized.

Searching for the positive sides of the impact of the pandemic on the considered aspect of the interpretation of the negotiations, it can be seen that the differences in the assessment of the values represented by their participants, i.e. the differences in their priorities, create the possibility of reaching an agreement through the exchange of values that are beneficial to them. On the other hand, if they focus on intangible assets, paradoxically, the chances of joint search for opportunities to increase intangible assets, in the form of innovative concepts and ideas, also in the virtual space, increase. In the short-term, these values may be of little importance to the parties to the negotiations, but they may bring benefits deferred in time. In addition, potential conflicts of values can and should be resolved by explaining their causes and convincing each other about the positive impact of different values on the negotiation process.

12. Conclusions

Summing up, it can be said that the occurrence of a pandemic in the conduct of socio-economic negotiation processes entails the need to apply different methods of conduct in the implementation of these processes. Considering the mainly disturbing and, to a lesser extent, supporting impact of the pandemic on these processes, the following features may be indicated, which must be considered due to this impact:

- significant acceleration and, at the same time, simplification of the implementation of these processes, often excessive, especially the pre-negotiation analysis,
- substantial impoverishment of the scope of such analysis in a narrow negotiation environment, and limiting the spectrum of potential parties to negotiations and their activities,
- difficult to find trusted negotiation partners and less opportunities to develop and maintain positive relations with them,
- extreme caution when establishing relationships, i.e. applying the principle of "hyper-limited" trust,
- adopting a narrow perspective when looking for possible solutions, often adopting satisfactory rather than optimal solutions,
- generally limiting the creativity of action and preferring routine,
- less operational flexibility, especially when generating variants of solutions,
- increased risk and even uncertainty of negotiations,
- difficult use of negotiation strategies and techniques aimed at finding a balance between cooperation and competition,
- advantage of competitive attitudes and negotiation tools over integrative ones,
- limiting the possibility of conducting multilateral negotiations, which are dominant in contemporary socio-economic life,
- the need to pay much more attention to information security,
- an urgent need for a wider use of negotiation support systems via the Internet.

As it is easy to notice, the above characteristics of the discussed negotiations also include their positive aspects, albeit to a small extent, such as the need to be careful when conducting them, careful risk analysis when making choices or care for information security.

The concept of describing negotiations in the conditions of a pandemic presented in the article is an initial, largely hypothetical approach to the considered issues, due to the fact that they are relatively new, not fully recognized both in theory and research, as well as in socio-economic practice. Therefore, the author will strive to enrich and broaden his concept, mainly by searching for more precise characteristics of the considered dependencies between the pandemic phenomenon and the course of negotiation processes. It is also planned to carry out empirical comparative research in order to verify the usefulness of this concept.

In addition, it is planned to broaden the context of considerations, i.e. to create a broader concept of negotiations conditions in the current socio-economic realities, and thus to create a specific model of negotiations in the expected crisis. As can be seen, some of the statements contained in the article are more general in nature, going beyond the issue of the impact of the pandemic on the negotiations. The second, promising direction of research will be to consider the more general issue of managing relations with partners in the conditions of a pandemic or crisis, and not just negotiations with them.

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