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# Negotiation and Discourse Analysis

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*Discourse analysis focuses on the ways that language and symbols shape interpretations of negotiators' identities, instrumental activity, and relationships. These meanings arise, in part, from language patterns that bargainers employ while they are involved in a negotiation. This article provides a brief overview of research findings on language use in six areas of negotiation: strategy, relational development, identity management, emotional expression, issue development, and framing. It also employs a case example of a real estate negotiation to illustrate how discourse patterns discursively construct the nature of risk, certainty, and loss-gain through framing and issue development.*

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**Key words:** negotiation, discourse, issue development, risk framing.

## Introduction

Communication is a central feature of negotiations. Scholars and practitioners who recognize this point have developed complex ways to analyze information exchange, negotiators' arguments, and bargaining strategies (Rackham and Carlisle 1978; Williams 1993). This early work on communication and negotiation focused primarily on bargaining strategies and tactics, often excluding how negotiators constructed meanings about the process. A focus on discourse and negotiation grew out of an interest in how language use shapes sensemaking and how parties enact their

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understandings of goals, issues, needs, and outcomes. As Glenn and Susskind (2010) note elsewhere in this issue, the planning and goals of negotiation, as well as the parties' emotional reactions to it, are made public through discourse and social interaction.

## **Discourse Analysis in Negotiation Research**

Discourse analysis refers to an extensive body of research that crosses linguistics, literary studies, and communication. When applied to negotiation, it focuses primarily on how language and symbols shape the meanings of goals, identities, instrumental activity, and relationships (Wilson and Putnam 1990). Discourse analysis then moves beyond cognitions and sequences of offers and counteroffers to center on how parties coconstruct negotiation as an activity (Putnam 2005). In this way, bargaining is not just another type of conversation; rather, discourse shapes the very nature of the process, and the enacted negotiation, in turn, influences language use (Cicourel 1988).

Analyses of discourse use within negotiation often center on six aspects of social interaction — strategy use, relationship development, identity management, emotional expression, issue development, and framing. In the area of strategy, research demonstrates that the use of particular pronouns, verbs, and adjectives can be the keys to distinguishing among a threat, a warning, and a demand (Gibbons, Bradac, and Busch 1992). Negotiators also use language patterns to signal the potential for an integrative settlement by making commitment statements worded as flexible as opposed to appearing firm (Pruitt and Smith 1981). At the relational level, a negotiator's use of rude comments, excessive interruptions, and imperatives (demand statements) conveys distance and often escalates a conflict, while the use of collaborative pronouns such as “our” and “we” signals closeness (Donohue and Diez 1985).

A bargainer's discourse is also related to identity management, especially to managing a negotiator's face, that is, to maintaining, attacking, or protecting a bargainer's credibility (Brett et al. 2007). “Face” refers to the positive or negative image that a negotiator projects through his or her opening offers, concession making, or persuasive appeals (Brown and Levinson 1987; Wilson 1992). For example, a negotiator often honors self or the other party's face through making humorous comments, offering statements of self-disclosure or self-deprecation, providing approval remarks, and repairing self-image (Rogan and Hammer 1994). This feature of language use is tied to the outcomes of a negotiation. For example, hostage negotiators who are able to save hostages and persuade perpetrators to surrender devote considerable talk time to restoring the hostage taker's face (Rogan and Hammer 1994). In online trading negotiations, language use that gives face, such as providing causal accounts and communicating one's own feelings, increases the likelihood that a dispute will be resolved,

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while discourse that conveys negative emotions and commands, for example, phrases such as “you shouldn’t,” “I want,” “you ought,” “we must,” communicates contempt and reduces the probability that a dispute will be resolved (Brett et al. 2007).

Emotional expressions in negotiations are closely tied with identity management. This research centers primarily on conveying negative and positive emotions. On the one hand, avoiding the use of hostile emotions (expressions of anger or frustration) and offering statements of positive regard (e.g., “excellent idea” and “we are working on this together”) can help foster agreement and signal a desire for continuing a business relationship (Kopelman, Rosette, and Thompson 2006). On the other hand, expressing negative emotions (e.g., language tones that show indignation, raised voice, and firm demands) can help to break an impasse because they signal the seriousness of the negotiation and the need for concessions (Thompson et al. 2001). Other findings suggest that acknowledging and addressing underlying emotions in mediation facilitate conflict transformation (Bodtker and Jameson 2001).

These mixed results may hinge on the ways that meanings of emotional displays are socially constructed. One way to test these disparate findings is to use a discourse lens to examine the type, intensity, and durability of emotional language that defines the nature of a dispute rather than relying on positive and negative statements alone (Bodtker and Jameson 2001; Jones 2006). That is, the discourse of emotions develops a climate and a set of relationships that extend beyond the expression of one or two positive or negative affect messages. Discourse, then, centers on the meanings, the cultural and interpretive frames, and how language enacts or “does” negotiation.

## **Issue Development and Framing in Negotiations**

Discourse studies in negotiation also center on issue development and framing, two areas that address the instrumental activity or the substantive content of the bargaining and that rely on changes in discourse patterns and the production of meaning over time. Issue development refers to shifts in the ways that parties work out new definitions of the issues and agenda on the table (Putnam and Holmer 1992). For example, in a teacher-school board negotiation, discussion of an issue such as pay for supervising extracurricular sports began with the teachers defining it as an issue of gender discrimination between male and female coaches. The school board, in turn, treated it as an issue of extra pay for specific work duties (e.g., hours spent with student athletes, number of students, number of games, etc.). In the middle of the negotiation, the issue shifted to a discussion of the differences between men’s and women’s sports. In the end, the two parties decided to revamp features of women’s sports in the high schools and award parity, but not equity, in pay (Putnam 1994).

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Thus, the discussion about and naming of the issues changed the definition of the problem and the outcome of the issue.

This transformation in issues occurs because of the changes in meanings that the two sides constructed for the issues. It encompasses variations in the ways that parties name or label a problem, explore the causes of it, and decide what should be done about it, for example, "Is it a coaches' or an administrators' problem?" "Is it a funding or a policy problem?" "Is it a problem in the ways that schools and communities view women's and men's sports?" In this example, discourse surfaces in the labels that describe the problem and in the ways that the parties develop a common label that names the issue for them (Putnam 1994). In this sense, labeling and sense-making become integrated in the social interaction, as Karl Weick (1995) noted in his discussion of how the American Medical Association isolated the flow of events and created a label that captured a phenomenon known as the "battered child syndrome."

Labeling or naming a problem is closely linked to how parties interact regarding the framing of a conflict. Using language to frame a problem focuses on how different features or aspects of a complex situation enter the picture or the frame of an event. Hence, it refers to selecting out descriptions from an ongoing stream of events, enacting them as salient in social interaction, and then making sense of them in relation to the larger context (Putnam and Holmer 1992; Brummans et al. 2008). For example, the issue of equity in extracurricular pay shifted to deficiencies in women's sports through a reframing process in which the parties brought to the center stage of their discussion descriptions of men's and women's athletic programs as justifications for why coaches' pay should be equal. In doing this, the parties bracketed new events, shifted their labels for the problem, and resolved the issue of equity by agreeing to change the sports programs. Through reframing, parties altered the problem elements that they saw as figure or ground in the situation. At the beginning of the talk, specific inadequacies in women's sports remained in the background of the picture, but the discussion pulled them to the foreground and shifted the label as to what was really causing the problem. Framing and reframing, then, occur through jointly highlighting a sequence of events as salient, ignoring or pushing other events into the background, and agreeing on a label and a problem definition for the events.

The discourse approach to framing, however, differs from a cognitive view in that framing is an ongoing practice that is enacted through language use in social interaction; thus, it is codeveloped and may employ, ignore, or change the frames embedded in a person's mental schema. Frames emerge and converge as parties talk about their preferences and priorities, privilege certain features of their situation, and shift their sense-making into a common field of vision. Because the process of framing is enacted in ongoing interaction, the parties may become unaware of it or

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may not resist it. The ways that framing emerge and converge through language use, then, parallel a view of negotiation as improvisation (McGinn and Keros 2002). Analyses of negotiation also reveal some stock or standard types of framing that surface when parties bracket off aspects of a conflict and label them as important (Gray 2003). In particular, negotiation interactions that focus on aspirations or a broad set of needs and interests are more likely to result in integrative agreements than ones that center on preferred outcomes or negative characterizations of the other parties in a dispute. Negotiators also develop meanings for the loss or gain, the nature of risks, and the rewards associated with particular options for a settlement (Lewicki, Barry, and Saunders 2007).

### **Example: A Real Estate Negotiation**

Analysis of a real estate telephone conversation illustrates how discourse patterns create sensemaking about issues of risk, loss, and gain (see Appendix B to Special Section). In this conversation, two agents were negotiating a deal for their clients. Katie, the buyer's agent, called Frank, the seller's realtor, to discuss the offer and the potential counteroffers, the buyer's qualifications, a possession date, and the items to be included in the sale. The buyers' underlying issues were:

- possession (the buyers wanted possession before closing and before their mortgage loan was approved because they were moving from out of state in January and the loan could not be approved until the February closing date),
- appraisal (would the house appraise at \$65,000 or would it be lower?), and
- points (having the seller pay 3.5 points at the time of the loan application, which was a requirement for Veteran's Administration [VA] loans).

The seller's key issues were:

- credibility and deliverability of the offer (would the loan go through?), and
- providing a counteroffer of between \$65,000 and \$69,000 to the buyer.

On one level, the negotiation was very integrative in that the parties introduced multiple issues on the table, prioritized underlying needs, and created a joint-gain solution. Both parties used third-person pronouns to depersonalize the situation and conveyed flexibility through such statements as, "I'm sure they'll be willing to work something out." The two parties created value, traded their high- and low-priority issues (logrolling), and bundled issues. The conversation ended with a proposed deal in which the buyer paid closing costs, VA tax, title policy, and \$67,275.

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In turn, the seller allowed the buyer to take possession before the loan was approved and agreed to pay the 3.5 points at the time of loan application.

### ***Framing Risk and Certainty***

A close examination of the transcript, however, revealed that the proposed deal centered on developing the meaning of uncertainty, probability, and risk. Overall, the use of adjectives, shifts in pronoun use, and repetition of key phrases by Katie, the buyer's agent, influenced what economists might call "pseudo-certainty," that is, when parties minimize high-probability information and overweigh certainty claims. Even though Katie steered the negotiation in this direction, both parties coconstructed meanings of certainty and risk through their actions and reactions.

This condition of pseudo-certainty surfaced through the management of four types of oppositional tensions during the negotiation: high versus low risk, uncertainty versus certainty, fast versus slow, and gain versus loss. In the framing of high versus low risk, Frank, in lines 111–114, used hesitation markers and nervous laughter to signal his concerns about the buyer possessing the house before the loan would be approved.

- 108 Frank: Whadayou think the time frame when do yeh- when do you wanna close.  
109 Katie: uh-Close February fif<sup>1</sup>teenth (.) possession January twenty first.  
110 (1.2)  
111 Frank: Huh (.) hh heh heh (.) hh heh · hh (.) Okay, · h  
112 (1.0)  
113 Frank: Well? What uh- ((clears throat)) possession before loan approval  
114 huh?

Katie, in lines 119–123, responds by shifting pronoun use from "they" to "I" to underscore her personal confidence in the arrangement and to endorse her approval of it. She also used adjectives such as *real* to assure him that there would be no problem.

- 119 Katie: A:nd (1.0) uh: (.) You know I don't normally like that (.)  
120 Frank: (.) but- (.) h (.) I just feel *real* comfortable (1.1)  
121 that there shouldn't be a problem in the world on their- (0.3) bein'  
122 approved on their loan.  
123 (1.1)

This pattern of framing paralleled how the parties managed the tensions between uncertainty and certainty. Specifically, Katie, in lines 76 and 88–90, repeated her use of adjectives, such as "solid" and "real," and highlighted information about the buyer's employment to convey certainty, while Frank, in lines 88 and 91, responded with tag questions to express doubt and uncertainty.

- 76 Katie: =um (.) They-re(.) I'm REal real comfortable about their qualifying.  
77 (1.0)  
88 Frank: ((throat clearing)) Won't have any problem with ['im qualifying.

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89 Katie: [Oh he's been with  
90 the same company for seventeen years.=  
91 Frank: =°Okay°

Later in the conversation, in lines 94–95, 124, and 346, Katie repeated herself several times to affirm her confidence in this arrangement.

94 Katie: =and (.) >been with the same company for seventeen years.< (.) so  
95 (.) >no-I don't think there's any problem at all.  
124 Katie: Y'know >seventeen years with the same comp'ny< and  
346 Katie: and- uh (.) they're solid. (.) I feel REal comfortable in that.

Frank, in lines 258–260, raised the uncertainty issue again, and Katie responded in lines 263–264 with an “I” message that reiterated her framing of certainty and low risk.

258 Frank: . . . you know if for some reason something ↑did go wrong with  
259 the loan then we'd have a lot of back tracking to do 'cause I  
260 sta(h)r'ed you know heh heh ·hh heh heh ·h  
263 Katie: ↑I told him↓ (1.0) uhh that (0.8) if: (1.0) if he- if the loan (.)  
264 if that becomes a  
265 problem (.) I think he'll put some money down.

These discourse patterns interfaced with Katie's sense of urgency and her need for a fast decision, as noted below in lines 182–191. Curiously, she confounded moving slowly with loss (lines 187 and 200) and moving rapidly with gain, which reinforced her framing of urgency and the need to get a deal quickly.

182 Katie: Well (0.5) Why don't you see if you can visit with her cuz ↑I'd  
183 like tuh (0.2) uhhhh-I think I can (1.0) >I'd like t'get it put  
184 together.<  
185 Frank: Okay.  
186 Frank: And you need to do it fast huh?  
187 Katie: Well, (0.8) you know hh we're gonna lose (1.0) if we don't get a  
188 >loan application made tomorrow.<  
189 Frank: [°Yeah°  
190 Katie: [We're gonna lose (0.3) ahh and [hopefully they can get the credit  
191 report ordered  
197 Katie: [A: ]nd that's why I think we need to get it done  
198 otherwise we're at Monday.  
199 (0.8)  
200 Katie: And we've lost (2.0) I don't know if we've lost that much time.

The loss-gain framing in this negotiation was also defined through specifying some issues as nonnegotiable, especially the party who had to pay the points on a VA loan, as Katie illustrated below in lines 140–149. Making declarations, repeating the same arguments, and naming issues as nonnegotiable contributed to defining the deal as a gain and constructing meanings that shifted the risk framing.

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- 140 Katie: =Three and a half discou[nt poin]ts  
141 Frank: [°Yeah°]  
142 Frank: =°three ( . ) half discount°  
143 Katie: And because it's V A the seller >has to pay the discount points.<  
144 (1.2)  
145 Frank: What?  
146 Katie: Because it's V A the seller has >to pay the [discount] points.<  
147 Frank:  
148 [Right.]  
149 Katie: We can't work arou[nd] that.

### ***Pseudo-Certainty and Discursive Closure***

Thus, in this conversation, the two agents coconstructed the situation as having low risk for the seller, as being certain that the buyer's loan would be approved, and as a situation that required fast action. What on the surface appeared to be a very integrative bargaining actually favored the buyer and constructed a situation of risk seeking. Close analysis of the negotiation interaction revealed how uncertainty was framed as certainty through Katie's use of strong adjectives and repetitions of evidence that supported the buyer's credibility and deliverability. These patterns interfaced with her appeal to move fast and get the loan approved and equated moving slowly with losing the deal.

Thus, an emphasis on loss framing, consistent with the negotiation literature, supported risk-seeking patterns that were closely tied to the concept of pseudo-certainty in which the parties minimized high probability concerns and accentuated certainty (Bazerman 2006). In the interaction, taking possession before a loan was approved was framed as certainty through discourse patterns of repetition, use of strong adjectives, and collapsing time into a loss frame. This framing exemplifies the use of language to close off other possible interpretations of risk and uncertainty.

### **Discussion**

This analysis illustrates how talk enacts framing and how issue development evolves in negotiation interaction. Clearly, the larger context remains absent from this analysis and no doubt has an influence on what the parties would say or do. Hence, a full-scale discourse analysis should consider other texts or knowledge bases that the parties draw on in constructing these meanings, for example, the history and predictability of VA loans, past relationship between these two real estate agents, the legal aspects of the arrangement, and the market issues in the sale. In most situations, parties draw on these texts and use them to underscore the meanings that they construct. In this case, Katie affirmed her sense of urgency by mentioning that houses in the area were not moving, to which Frank responded that the market was picking up.



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In the latter part of the call, Katie also employed a best alternative to a negotiated agreement (BATNA) by noting that the buyer had an option in another area of the city, if the deal fell through. In effect, the parties drew on historical and relational texts and traditional negotiation strategies in their use of language, and this broad discourse became part of the negotiation interaction.

Some readers would contend that if the deal worked, it was a good settlement, irrespective of the way that risk was defined in the conversation. But what if this arrangement went sour and the VA loan was not approved or the market radically shifted? Parties might ask what went wrong. A discourse lens for studying negotiation, then, is particularly useful in discovering unintended consequences, ways that conflict escalates, and how parties alter the course of their interactions by changing the patterns of their talk. In this case, Frank clearly played a low-key role and succumbed to Katie's framing of the situation. If he had been aware of the way that language use developed notions about risk, he might have engaged proactively in framing the situation in a different way; for example, he might have addressed the seller's needs, discussed the property itself, or suggested other issues that could be added to the settlement.

This analysis, focuses on the micropatterns of discourse and how they reveal and conceal subtle ways in which a negotiation evolves. It treats bargaining as an accomplishment that is codeveloped by the parties in a particular context. It also examines meaning or sensemaking as a fundamental and often ignored feature of negotiation. By attending to discourse and language use, negotiation analysts can uncover how parties generate creative options for settlements, how turning points in a negotiation occur, and the ways in which parties reframe issues and prevent premature closure.

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