



## **Role Play Student Activity: Negotiating a Business Deal in the Czech Republic**

### **Overview**

This activity is designed to help students understand the nuances of intercultural communication and negotiation, specifically within the context of Czech business culture. It simulates a business meeting between representatives of a Czech company and an American company. Participants will need to navigate cultural differences to successfully negotiate a business deal.

**Total Number of Pages:** 6

**Participants' Sheets:** pages 1-3

**Facilitator's Sheets:** pages 4-6

### **Participants**

- 4-5 participants per group
- Multiple groups can participate simultaneously

### **Goal**

This exercise simulates a business meeting between American and Czech representatives, highlighting cultural communication patterns and barriers. The main objective is to achieve a successful business negotiation while respecting cultural differences.

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## **Participants' Sheets**

### **Czech Briefing Sheet**

You are representatives of Česka Tech, a leading technology company in the Czech Republic. Two representatives from an American company have requested a meeting. You are unaware of their purpose, status, or rank. One of you is Josef Novák, the founder and current CEO of the company. It is customary in Czech business culture for the top executive to attend important meetings, showing respect and seriousness. Josef Novák is accompanied by one or two junior associates, who treat him with great respect: never sitting without permission, never questioning his authority, and always looking after the company's best interests. The associates will handle most of the talking, especially if the American representatives are of a lesser rank.

Czech culture values hierarchy and respect for authority. Subordinates should never sit until the senior person invites them to do so. Direct eye contact is acceptable but should not be prolonged. Initial small talk about family and personal interests is common before discussing business matters. The Czech company is known for its quality software solutions, which it sells at the competitive price of 5,000,000 CZK for 1,000 licenses (a year's supply). The production cost is 3,500,000 CZK, so any price above 4,000,000 CZK for 1,000 licenses is considered good. It is traditional to negotiate the price, as the first offer is rarely accepted immediately. Czechs believe



in building trust and may agree to ship products with a small down payment if the other party is deemed trustworthy.

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### **American Briefing Sheet**

You and another business associate are sales representatives from an American software distribution company. You both work directly under your company's president. You have been chosen to travel to the Czech Republic to meet with Česka Tech, which offers software solutions at a potentially lower price than your current supplier. Your goal is to close a deal to purchase 1,000 software licenses for 4,000,000 CZK. Currently, your company pays 6,000,000 CZK for the same amount from another supplier.

You were sent on this trip last minute by your boss, who often delegates tasks abruptly. You are not well-versed in Czech culture and customs, and this meeting is your first real interaction. You have heard that Czech business culture places great importance on hierarchy and respect for authority. Your plan is to propose a deal for 4,000,000 CZK with a small down payment, hoping to leverage the cultural nuances you've read about briefly. Your goal is to save your company money and secure a good deal. Successfully closing the deal will result in a significant bonus for you and your partner.

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### **Facilitator's Directions**

#### **Background**

This exercise simulates an intercultural business negotiation between American and Czech representatives. It highlights the cultural barriers and communication differences that can impact such interactions. Facilitators should emphasize the importance of cultural sensitivity and effective communication strategies.

#### **Setup**

1. **Group Formation:** Divide participants into groups of 4-5. Each group should consist of 2 Americans and 2-3 Czechs.
2. **Briefing:** Separate the Americans and Czechs into different rooms. Provide each participant with their respective briefing sheet and allow them several minutes to read and understand their roles.
3. **Training for Czechs:** Brief the Czech participants on cultural aspects they need to demonstrate, such as respect for hierarchy, proper greeting etiquette (a firm but brief handshake), and the importance of small talk before business discussions.

#### **During the Simulation**



1. **Initial Meeting:** The Czechs should be seated with Josef Novák in a central position. The American participants should be aware of the need to wait for an invitation before sitting and avoid prolonged eye contact initially.
2. **Negotiation:** The Americans will propose their deal, and the Czechs will engage in typical negotiation practices, showing reluctance at first and gradually moving towards a mutually acceptable agreement.
3. **Cultural Sensitivity:** Remind participants to observe cultural norms throughout the negotiation. Americans should avoid appearing too aggressive or impatient, while Czechs should maintain formal decorum and respect.

### Debriefing

1. **Discussion:** After the negotiation, gather all participants for a debriefing session. Ask each group if they reached an agreement and what the terms were.
2. **Cultural Reflections:**
  - **For Americans:** “What cultural differences did you notice during the negotiation?”
  - **For Czechs:** “What actions or behaviors from the Americans did you find surprising or inappropriate?”
3. **Real-World Implications:** Discuss how understanding and adapting to different cultural norms can impact real-world business negotiations.

### Summary

1. **Divide participants into small groups:** 4-5 per group, with Americans and Czechs in each group.
2. **Separate for briefing:** Allow time for each group to read and understand their roles and cultural guidelines.
3. **Conduct negotiations:** Reunite groups and facilitate the business negotiation.
4. **Debrief:** Discuss outcomes and cultural observations to reinforce learning objectives.

This activity aims to enhance participants’ intercultural communication skills, crucial for successful business interactions in a globalized economy.