

show. **Negotiation helps you to achieve your goal without hurting anyone.** Your goal in this case is to go for a movie and you negotiate either with your parents or friends to achieve the same.

In the second situation, Tom could not afford to lose the CD player as it was an exclusive one, thus he tries to negotiate with the store owner to lower the price so that it suits his pocket and even the store owner earns his profit as well.

Negotiation is essential in corporates as well as personal lives to ensure peace and happiness.

Your boss asks you to submit a report within two working days and you know that the report is a little critical one and needs more time. Will you say a yes to your boss just to please him? Your yes might make the boss happy then but later you will land yourself in big trouble if you fail to submit it within the desired time frame. It's always better to negotiate with your boss rather than accepting something which you know is difficult. Ask for some more time from your boss or probably don't make an exhaustive report. Negotiation is better as it would prevent spoiling your relation with your superiors later.

Negotiator

An individual representing an organization or a position who listens to all the parties carefully and comes to a conclusion which is willingly acceptable to all is called the negotiator.

Skills of a negotiator

A negotiator ideally should be impartial and neutral and should not favour any one.

He needs to understand the situation and the parties well and decide something which will benefit all.

It is not always that people will easily accept the negotiator's decision; they may counter it if they feel their personal interests are not satisfied. In such a situation, where the negotiator is left with no choice, he must use his power to impose his ideas on all, after all one can't please everyone.

A negotiator has to be a little tactful and smart enough to handle all situations and reach to a conclusion.

Elements of Negotiation

Negotiation



Process + Behaviour + Substance (Agenda)

- **Process-** The way individuals negotiate with each other is called the process of negotiation. The process includes the various techniques and strategies employed to negotiate and reach to a solution.
- **Behaviour-** How two parties behave with each other during the process of negotiation is referred to as behaviour. The way they interact with each other, the way they communicate with each other to make their points clear all come under behaviour.
- **Substance-** There has to be an agenda on which individuals negotiate. A topic is important for negotiation. In the first situation, going for the late night movie was the agenda on which you wanted to negotiate with your parents as well as your friends.

To conclude, negotiation is simply a technique, a discussion among individuals to reach to a mutual agreement where everyone gains something or the other and conflicts are avoided.

Preview from Notesale.co.uk
Page 3 of 33

you can show your displeasure. Avoid being rude to anyone. Be precise and crisp in your speech. Take care of your tone and pitch as well. It should not be too high and must be audible to all. Don't stammer in between.

- **Take care of your dressing as well.** An individual must be well dressed for a negotiation. Don't adopt a casual approach as the other person will never take you seriously. Prefer wearing formals to create the desired first impression on others.
- **An individual should learn to compromise to his best extent possible.** One must know where to compromise as it is important to reach to a conclusion. Remember you can't get everything. If everyone is rigid on his views, no conclusion would ever come out. For a win win negotiation, it is better if the individuals try to adjust with each other and decide on something best suited to all.
- **Once you are done with the negotiation, do sign contracts and agreements in the presence of both the parties.** Make sure that all the necessary terms and conditions are mentioned clearly in the contract.
- **One must go with a positive attitude for a win win negotiation.** Adopting a negative attitude will lead to negativity all around. Don't pretend, just be yourself and things will definitely fall into place.

Preview from Notesale.co.uk
Page 14 of 33

Importance of Negotiation in Corporates

1) Avoid conflicts (disagreement).

2) Nego will balance the priority (important for the company -profit and also for the candidate – must be given higher salary from previous company) eg nego salary.

3) Nego with the vendor (have long term healthy relationship) for smooth running of your business

4) Nego with superior

Jack went in a t shirt and denims for a business deal. The other person assumed that Jack himself is not serious about the deal and thus did not take much interest in the negotiation. Smart dressing does not mean wearing expensive clothes; instead it is dressing appropriately according to the occasion. Prefer wearing formals for business deals and do not forget to polish your shoes for the desired impact. People do look at your shoes.

- **Be Patient.** It has been observed that impatient individuals are poor negotiators. Don't think that if you want that the price of a particular item should be \$4, the shopkeeper will agree to it immediately and gladly give it to you. You need to convince him and that requires patience. You can't lose your temper and shout on him.
- **Be flexible and learn to compromise.** It's okay to give priority to one's personal interests but one should not be selfish. If you are the first one to accept something, you will not become unimportant or lose anything, instead the other person would look up to you and both of you will gain whatever you want.
- **One has to trust the second party for a better negotiation.** Don't always find faults in others. Not all people are bad; there are people who are really good and helpful. One should not always think that the other person would do harm to him. The second party is there just to do business; he is absolutely not your enemy. Don't just come to the point, start the conversation with a warm smile. If he is wearing a nice shirt, do take the initiative to give him a compliment. Treat him as a friend. One should never be arrogant. He is also representing his company just like you. Order coffee and some snacks. It will help in breaking the ice and strengthening the bond between the two parties. Do remember that one should not be too casual and over friendly.
- **Be professional in your approach.** Once your deal is closed, do sign a contract in presence of both the parties. The minutes of the meeting must be circulated among all the participants for better clarity. Don't forget to collect your bills from the shopkeeper after you are done with your shopping. Don't only rely on verbal communication.
- **Enhance your listening skills for a better negotiation.** Listen to the other party as well. He might come up with something interesting and beneficial to you as well. Don't think that the other person doesn't know anything; even he has come well prepared. One should never underestimate the second party. If you go for a shopping, don't ignore the shop keeper, listen to him and then only decide what to purchase and what not to.
- **Be a little tactful and diplomatic.** Being diplomatic does not mean being clever. There is a difference between the two. One needs to be intelligent and should know what to speak and what not to speak. Analyze the situation and respond accordingly. Don't speak something because your boss has asked you to do the same. Apply your brains and react in an

appropriate manner. If you feel your statements would sound foolish in the particular situation, it is better not to speak.

Role of Emotions in Negotiation

Negotiation is defined as a discussion among individuals where everyone contributes equally to reach to a conclusion benefiting all. Lot of factors influence the process of negotiation, our emotions being one of the major factors. Our mood decides a lot many things.

If one is in a happy mood, everything seems perfect and good to him. Individuals with a positive attitude tend to trust each other better. They take keen interest in the negotiation and actively participate in discussions. They try their level best to come up with a suggestion and contribute effectively in the discussion. They do not unnecessarily find faults in other people and always try to take things in a positive way. A happy and a positive person would always look forward towards a concrete solution which would benefit him as well as the other party involved. Try to be cheerful always. One does his best when he smiles.

Anger is one of the most negative emotions acting as a hurdle to an effective negotiation. A person loses control on his mind and is not in a position to think constructively in a state of anger. One's anger must be kept under control for an effective negotiation. Don't overreact on petty issues. Anger only leads to conflicts and misunderstandings and does not solve any problem. An individual should learn to keep a control on his tongue. Don't say anything which might hurt the other person. If you are getting angry on someone, it's always better to think something pleasant; your anger would soon disappear. Take a pause and think will this anger benefit you?

One needs to be friendly with the second party. Learn to trust him but don't get too involved in friendships. Everything has a limit and same goes with friendship as well. The other person might expect unnecessary favours from your side. Nadia knew Mac since childhood; Mac was working with a retail outlet. Nadia wanted to purchase some clothes for herself and went straight to Mac's outlet. Nadia and Mac were childhood friends and thus Nadia asked for more discounts as compared to what originally is offered to the other customers. Mac was bound by the store policies but he could not even refuse Nadia. He was really helpless and could not manage to offer Nadia the discounts she had quoted. Nadia went back empty handed, the negotiation was not at all fruitful and no body gained anything out of it.