

Negotiations

INTRODUCTION

1 Discuss the following questions.

- 1 What is a 'negotiation'?
- 2 How would you judge the success of a negotiation?
- 3 What makes a good negotiator?
- 4 Have you ever been involved in formal or informal business negotiations?
Describe your experiences.

2 What do you think?

How appropriate is the following advice? Rank each suggestion on a scale from 1-10 (1 = essential, 10 = unhelpful) to indicate your opinion.

How to be a good negotiator

- try to get on well with your opposite number
- use emphatic language
- show respect for your opposite number
- make suggestions to resolve disagreement
- have clear objectives
- be determined to win
- say 'I don't understand', if that is the case
- listen carefully
- always compromise
- discuss areas of conflict



TEXT 1

Read the text and summarise the main points as a list of guidelines on negotiating.

The Art of Negotiation

There has been a great deal of research into the art of negotiation, and, in particular, into what makes a 'good' negotiator.

One point most researchers seem to agree on is that good negotiators try to create a harmonious atmosphere at the start of a negotiation. They make an effort to establish a good rapport with their opposite number, so that there will be a willingness – on both sides – to make concessions, if this should prove necessary.

Good negotiators generally wish to reach an agreement which meets the interests of **both** sides. They therefore tend to take a long-term view, ensuring that the agreement will improve, or at least not harm, their relationship with the other party. On the other hand, a poor negotiator tends to look for immediate gains, forgetting that the real benefits of a deal may come much later.

Skilful negotiators are flexible. They do not "lock themselves" into a position so that they will lose face if they have to compromise. They have a range of objectives, thus allowing themselves to make concessions, for example, "I **aim** to buy this machine for £2,000" and not "I **must** buy it for £2,000". Poor negotiators have limited objectives, and may not even work out a "fall-back" position.



Average negotiators look for immediate gains. Good negotiators have a range of objectives.

Successful negotiators do not want a negotiation to break down. If problems arise, they suggest ways of resolving them. The best negotiators are persuasive, articulate people, who select a few key arguments and repeat them. This suggests that tenacity is an important quality.

Finally, it is essential to be a good listener and to check frequently that everything has been understood by both parties.

TEXT 2

Read the advertisement and complete the following recruitment file.

JOB SPECIFICATION

Company¹ Salary⁵

Location² Benefits⁶

Position³ Contact⁷

Duties⁴

PERSON SPECIFICATION

Essential⁸

Desirable⁹

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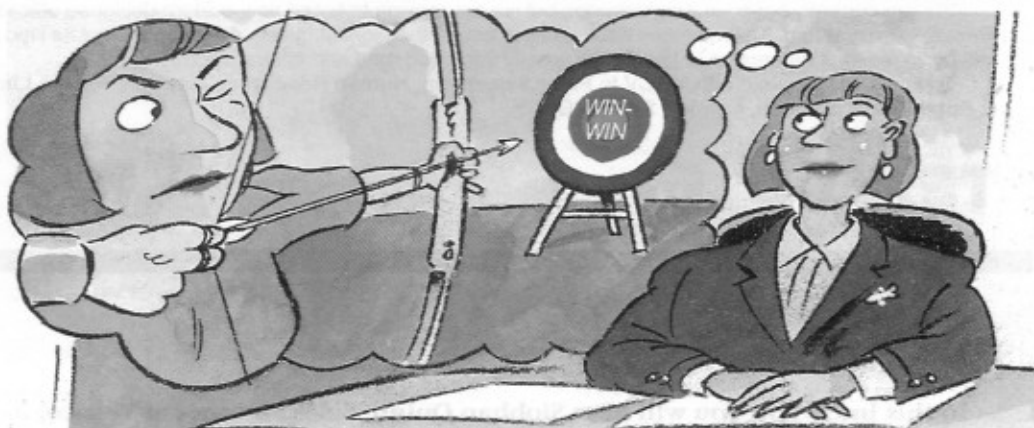
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Some hints on negotiating

PREPARATION

- **Planning** Make sure you prepare properly. The less you prepare, the more you will be at a disadvantage and the less likely you will be to achieve a satisfactory outcome.
- **Research** Try to find out as much as you can about your opposite number and his or her business. Use the resources of a business library and/or talk to your business contacts.
- **Objectives** Try to take a long-term view and decide on a range of objectives so that you can be more flexible and offer more alternatives during the negotiation itself. Remember you are looking for a win-win situation of benefit to both parties, thus paving the way for further deals in the future.
- **Limits** Decide what your sticking point(s) must be and why. Knowing your negotiating limits and their reasons will help you negotiate more confidently and comfortably.
- **Strategy** Plan your negotiating strategy carefully, taking into consideration the personality and position of your opposite number, as well as your own strengths and weaknesses.



Prepare carefully, keeping your target in mind

TECHNIQUES

- **Rapport** Try to establish a good rapport with your opposite number from the moment you first meet, whether or not you already know each other. Some general 'social talk' is a good ice-breaker and bridge-builder in this respect.
- **Parameters** Confirm the subject/purpose of your negotiation early on and try to establish areas of common ground and areas of likely conflict before you move on to the bargaining/trading stage.
- **Listen!** Listening attentively at every stage of your negotiation will help to avoid misunderstanding and create a spirit of cooperation.
- **Attitude** Be constructive not destructive – treat your opposite number with respect, sensitivity and tact, and try to avoid an atmosphere of conflict. This will create a feeling of harmony and goodwill, which should encourage a willingness to compromise and ultimately lead to a productive negotiation.
- **Approach** Keep your objectives in mind – and try to keep a clear head. This will help you to concentrate on your key points. Try to resist the temptation to introduce new arguments all the time. Use the minimum number of reasons to persuade your opposite number, coming back to them as often as necessary.



Listen attentively at every stage

- **Flexibility** Be prepared to consider a range of alternatives and try to make creative suggestions for resolving any problems. Be prepared to make concessions and to compromise, if necessary, to avoid deadlock – but don't be pushed beyond your sticking point.
- **Review** Summarise and review your progress at regular intervals during the negotiation. This will give both parties a chance to check understanding – and, if necessary, clarify/rectify any misunderstandings.
- **Agreement** When you have reached agreement, close the deal firmly and clearly. Confirm exactly what you have agreed – and any aspects/matters that need further action.
- **Confirmation** Write a follow-up letter to confirm in writing the points agreed during your negotiation and clarify any outstanding matters.

LANGUAGE

- **Simplicity** Keep your language simple and clear. Take your time and use short words and sentences that you are comfortable with – there is no point complicating a difficult task with difficult language.
- **Clarity** Don't be afraid to ask questions if there is anything you don't understand. It is vital to avoid any misunderstandings that might jeopardise the success of your negotiation.

