

**Soft Skills**  
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**Lecture – 16**  
**Negotiation Skills**

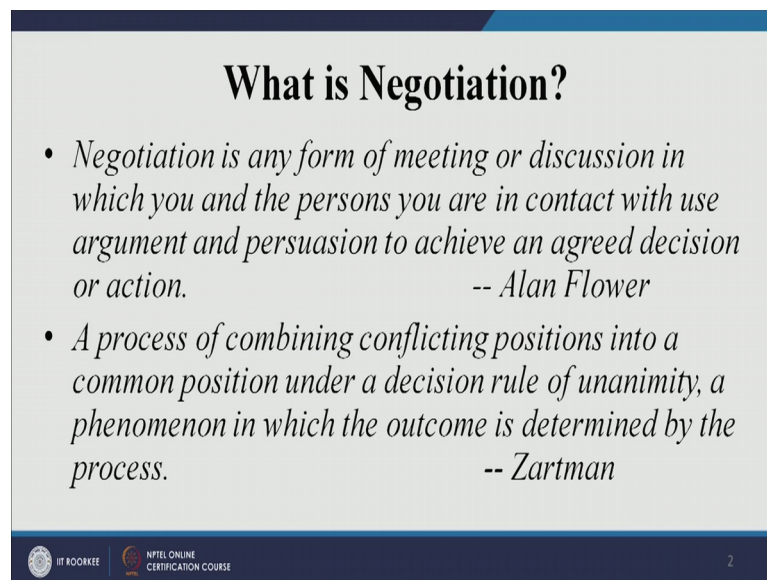
Good morning, in the previous lectures we talked about the importance of listening skills in softer skills. Now in this module we are going to talk another important aspect of Soft Skills and that is Negotiation Skills. At the outset you might be thinking as to what negotiation skills are and why it is so important to have a lecture on Negotiation Skills. Dear friends all of you in whatever professions be, but the importance of negotiation skills goes a long way both in our lives as well as in our career.

Let me give an example in order to understand how important are Negotiation Skills suppose you want to buy a car and you have already saved some amount for it, now what do you do you have different preferences for it the color, the make, the model, the manifestations of the engine, the mileage and so many factors, but in order that you have to buy it you make several deliberations you seek several alternatives and see that how best you can get your choicest car in the amount that you have, and for that you also go to different automobile agencies find of the price and then in the beginning you try to haggle a little bit you try when you are trying to do this you are not actually haggling you are actually trying to get a thing of your choice in the minimum amount that is with you. This in a way can be called a sort of negotiation, but what is important here is the seller does not give you the car unless and until he also finds that he is also being benefited in some way or the other.

This is just a small example, but in everyday life you actually have to negotiate on several issues because in life negotiation plays a very important role. Since you are at a workplace you will come across several situations where you will have to negotiate a deal, that is why it has become quite mandatory to understand how you can negotiate for the desired result keeping into consideration that neither you suffer nor the other party suffers, because a real negotiation can be done only when it in a way benefits both the parties.

Let us try to understand negotiation with some examples there are several examples there are several definitions which can be given for negotiation, what actually are these definitions the first is it is any form of meeting because whenever you are going to negotiate you have to make several rounds of discussion.

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**What is Negotiation?**

- *Negotiation is any form of meeting or discussion in which you and the persons you are in contact with use argument and persuasion to achieve an agreed decision or action.* -- Alan Flower
- *A process of combining conflicting positions into a common position under a decision rule of unanimity, a phenomenon in which the outcome is determined by the process.* -- Zartman

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And it is a form of meeting or discussion in which you and the persons you are discussing or the persons you are in contact use argument and persuasion this is very important we will here underline the word argument and persuasion because sometimes the price of a particular product is higher than your pocket.

In that case you argue, but at the same time you also try to persuade this is about a product, but in certain cases there are issues which come up in the form of discussions when there is a conflict in terms of opinion, in terms of ideas. And after this argument in persuasion you move to get an agreed decision an action this is the definition given by Alan Flower who is considered to be an expert in the field of negotiation, we can also have another definition in this regard which says it is actually a process of combining conflicting positions into a common positions whenever you are going to negotiate you will find because unless and until there is a conflict the need of negotiation does not arise and what in a negotiating deal we are supposed to do is we are actually to transform this conflict into a sort of agreement and this can be done only when both the parties have a

common position under the decision of unanimity a processor of phenomena in which the outcome is determined by the process.

Now, with these definitions in mind let us try to see how we can proceed and what are the important ingredients of negotiation, how there are you know when whenever we are going to negotiate we want to negotiate only because there is a conflict or only because there is a sort of deal which we want to carve it and when you want to carve it you actually want to garner all the benefits, but that negotiation cannot succeed because in every negotiation there is supposed to be the association of 2 parties there always be 2 parties on a negotiation table.

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**Requisites of Negotiation**

- ❖ Two parties
- ❖ Interests of both involved
- ❖ Agreement and not instruction/authority
- ❖ Discussion and persuasion

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And the interests of both the parties have to be involved there cannot be conflict unless and until there are 2 parties and these conflicts cannot be resolved unless we have a discussion, and when you are going to discuss we have to be quite aware that the discussion is not one sided we will see as we proceed further in this business of negotiation how you can have a sort of fruitful negotiation only with instruction and not with authority.

Because sometimes you will find that many of your employees they are having a very good salary, but you have been left out and then in that case there will be a negotiation of yours with the boss. Now in such a situation you cannot authorize rather what you will see is you will present your case and this negotiation finally, will come only with the

help of instruction and not with a sort of authority. What is of utmost importance in a negotiation case the discussion the role of discussion as well as a persuasion more than discussion because when there is a discussion there is bound to be some argument counter argument, but this also can be resolved through persuasion.

Now, when we are going to negotiate we have to see that how persuasive you are in the previous lectures we have talked about the importance of communication skills and when you are going to persuade, when you are going to discuss the issue, you have to see how your language becomes persuasive how it becomes convincing and if it is convincing it should be convincing in a way that the other party also finds that there is ample in the store for them.

Let us see this Negotiation since it involves 2 parties it can also be formal because when you are at a workplace it will be a formal negotiation, but sometimes even in workplace there also can be informal negotiations.

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**Types of Negotiation**

**Formal & Informal**

**Conditions for Formal Negotiation**

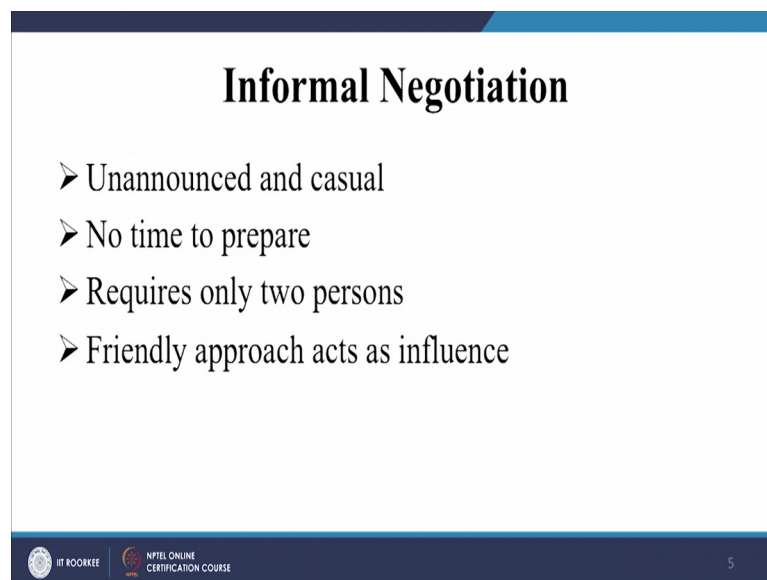
- Pre-announced meeting
- Fixed agenda
- Three people

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Now what are the conditions of a Formal as well as of an Informal negotiation; in a formal negotiation the 2 parties they are well aware of the subject that is why while you decide to fix a date for the negotiation you not only recite the date and the venue you also decide the agenda and with this agenda in mind you go to a negotiation table.

So, a negotiation is Pre-announced in a formal way whenever there is an informal negotiation this is not announced. In a formal negotiation not only the agenda is announced or the both the parties know the agenda rather, the venue is announced, the date is announced, and the time of the meeting is also announced with all these things in mind when you go to the negotiating table you are much aware of the knowledge of the issue that is involved and see to it that in such a negotiation there are 3 people involved the 2 people are the people who are having some issues and the third person will act as a negotiator or he will see that he is an observer and the role of the observer also becomes very important in this regard.

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**Informal Negotiation**

- Unannounced and casual
- No time to prepare
- Requires only two persons
- Friendly approach acts as influence

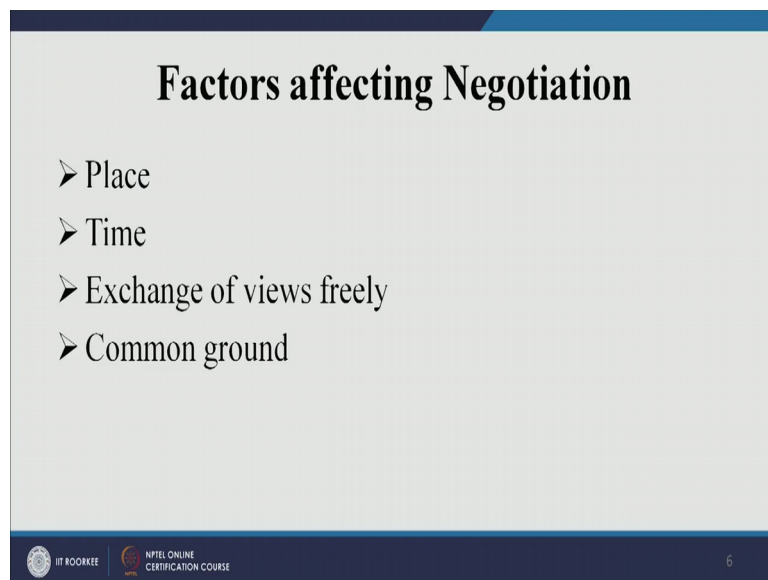
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Now, in an informal negotiation quite contrary to the Formal negotiation the announcement is not before it is not pre announced it may be casual, since it is informal it may be very friendly now 2 people knowing each other and sometimes there is a conflicting situation they can sit together or say they suddenly meet each other then also because of their friendly attitude with each other they can come to negotiate and for this there is no time for preparation; however, for this informal discussion to take place and this informal negotiation it becomes more challenging at times because of your relation to the other person, because of your familiarity with the other person, and also because you do not get much time to prepare it actually is confined only to 2 persons and these 2 persons in a very friendly gesture they discuss issues and finally, they come to a sort of agreement.

And here this Friendly approach or the friendliness it may at times also act as an influence, but remember in an organization when you are for an informal discussion and for an informal negotiation the position of the person with whom you are negotiating that may affect, at times it may also lead to a sort of deadlock because you are not able to say what you really want or what you really are going to agree sometimes the position of the other person who may be at a very higher post than you or who may be an officer of yours in such a situation the negotiation may not be fair hence you are to try an extra restraint when you go for an informal negotiation.

Now, you would also be interested to know what are these factors that affect negotiation.

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Because you know as I have said earlier that the need of negotiation arises only when there is a conflict or only when there is a deadlock or only when there is some sort of difference of opinion. So, in such a situation there are certain factors that can come to the help of the negotiators the first is the Place.

Now, when a negotiation takes Place utmost care is taken when you are going to decide the place, if it is in your place naturally you feel more comfortable; comfortable because everything is at your disposal, comfortable because you are familiar with the place also comfortable because whenever you need any important document you may have it because things are at your disposal you can find out things you can find out information whenever you need. Moreover it also shows your strength if the negotiation is done in

your place you feel more important, you feel more confident more empowered and time this is also very important which time most of the time the time for the negotiation should be decided based on the suitability of both the parties.

If you give a time for negotiation that may at times appear to be very imposing that is why it is always better to decide the time keeping into consideration the consent of both the parties, where both the parties feel themselves at ease only then negotiation can be fruitful and the moment it starts gears would be taken that the atmosphere, where the negotiation takes place the atmosphere is such where there can be free exchange of views; where the other party also does not feel threatened you cannot as we have discussed in the beginning that negotiation is a process which goes through instruction and not through authority through persuasion and not through a sort of imposition.

Hence care has to be taken that after negotiation and during negotiation even you try to seek out the common ground, when we say common ground, what we mean in what way, or to what extent it is going to affect both the parties involved.

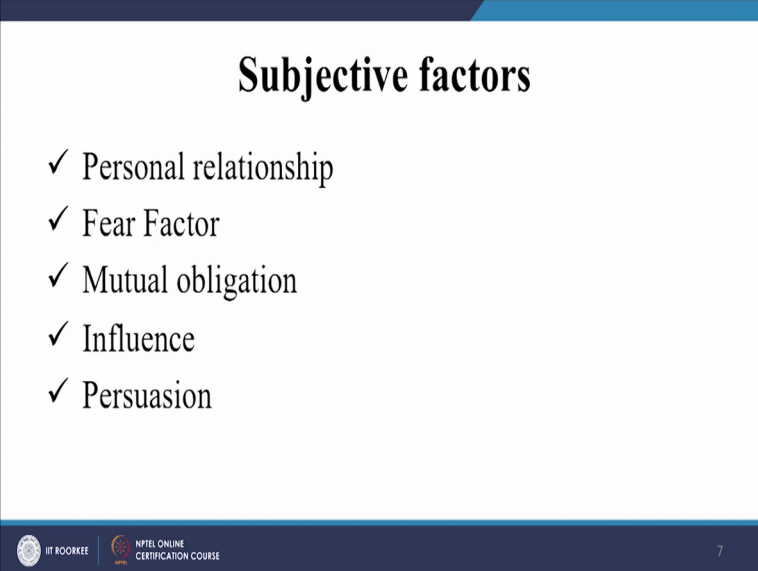
Next is the subjective factor it is not only that we negotiate simply to get a result, but then there are subjective issues also which in a way are going to affect the negotiation process for example, when you go for negotiation you are also to be aware of your personal relationship because at times it so happens that 2 people are not at good terms or the person who is acting even as an observer care has to be seen that he is not biased or prejudiced.

So, personal relationship matters a lot during negotiation, sometimes as I said the fear factor that may also impede a fruitful negotiation. If you are frightened of a person with whom you want to go to negotiate as you find when students go to seek more marks and they go to a faculty member what is a challenge there is the position of the person like wise in organization also somebody who is quite senior to you and you go to negotiate with him.

So, this fear may affect one of the former presidents of USA John of Kennedy says, let us never try to negotiate out of fear, but let us also not fear to negotiate. So, when you are going to negotiate or when you are going to have a discussion for negotiation see to it that this fear factor it can affect. So, take into consideration that you are not frightened

when you go for negotiation sometimes either in a formal or informal discussion for negotiation there is also a sort of mutual obligation.

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**Subjective factors**

- ✓ Personal relationship
- ✓ Fear Factor
- ✓ Mutual obligation
- ✓ Influence
- ✓ Persuasion

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So, sometimes the past Negotiations may also help and they may also assist in making other negotiations fruitful in future and as we have been saying that the factor of influence works sometimes very magically.

But remember if under the influence of a person either because of the fear factor of the anxiety you are going to negotiate this may not last long and if in an organization you are going to negotiate you have to keep all your personal ambitions aside because you are going to negotiate for your organization and if your personal ambition comes in and between negotiation may not be successful. Hence the need of the our is to see that the influence does not sink in too much or the influence does not affect a negotiation too much otherwise the negotiation may not be fruitful.

Moreover try to so both the parties should aim at seeing decide it is a question because when we are going to negotiate as humans we want that we should only be benefited, but if that is the notion negotiation will suffer it should benefit both the parties sometimes it may be a lose win situation, sometimes it may be a win situation, because if you feel that the mission of your negotiation is for a greater welfare then there is no harm if small ambitions can be for second a small ambitions can be left behind.



Moreover while negotiating you must see that you have to put your own point of view while putting your own point of view you have to use a language that is persuasive for example, you may not agree always you may sometimes disagree also, but the way you are going to show your disagreement should be wrapped in such a language that it is not going to hurt the sentiment of the other person.

Otherwise this negotiation cannot go a long way we negotiate for better understanding and the main aim of negotiation is to reach an agreement and unless we try to discuss it fairly keeping into consideration or keeping aside the prejudice the bias the self vested interests negotiation cannot come to an agreement. Otherwise there have been cases where only because of the fear factor and the influence of the other person involved you are going to come to an agreement which can be worst and which cannot be helpful to you this we call as WATNA; WATNA is written as there all capital letters WATNA.

And the implication is the worst alternative to worst agreement to a negotiation that is called WATNA, to so see to it that when you are going to negotiate you are knowing not going to have a worse agreement that is going to affect your life as well as your career. Now since you have known what are the various processes involved and what are the various threats to a negotiation it is time that we also knew how important are the qualities of a negotiator what qualities a does our negotiator required the first is confidence how confident you are the second is appearance then outlook and honesty.

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**Qualities of a Negotiator**

- ✓ Confidence
- ✓ Appearance
- ✓ Outlook
- ✓ Honesty and reliability

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Confidence comes from the very first thing that we have been telling since the beginning of this course is that if you are going for a formal occasion see to it that you have dressed yourself well, because the first step in your formality is the dress as well as the appearance the more prepared you are you appear to be more confident and this confidence comes from the proper preparation if you have looked at all the pros and cons of are the negotiation that are going to take place I mean the question the counter question the argument the counter argument and also you have to anticipate what if this does not work.

So, you have to have a plan be ready for that and this plan be should be such that it is not going to make you lose more and not going to make the other party gain more. So, if you have that I think you are confident enough. Now coming to the question of appearance see to it that you dress well when you go to negotiate by dressing well we mean that you should dress in a way that suits the formality of the occasion you should look very dignified, you should display your best in terms of your appearance also in terms of your outlook when we talk about outlook we mean to say that you should not be rigid enough you should also be ready that at times you may also provide them some concessions in case you feel that the negotiation is not progressing in a very smooth manner and the issues may remain.

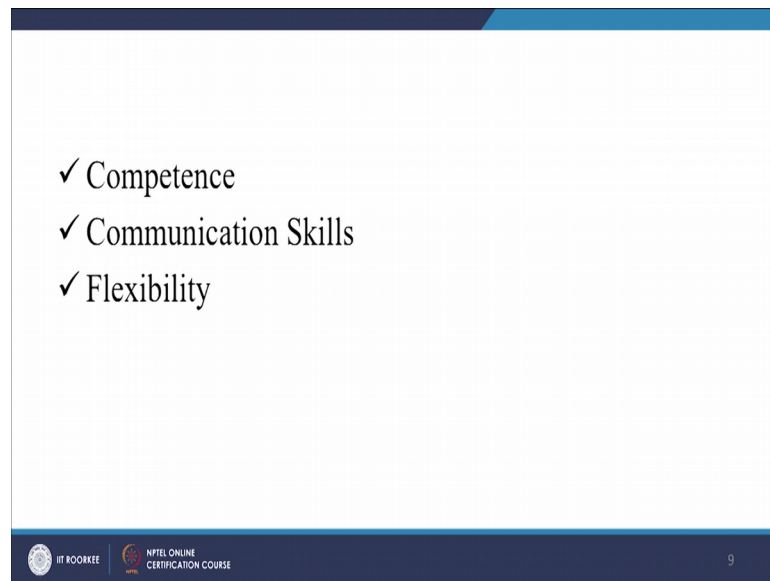
But remember never agree unless and until you feel that you have also gained a lot in this negotiation, moreover let all of us be honest and reliable honesty comes from your own preparation if you know your subject matter well if you know the strength of yours as well as the strength and weaknesses of the other party you will be honest, and since you are working for the organization see to it that in the long run how is it how is this negotiation going to affect your organization, but at the same time you should also not ignore that the other party is going to be affected if you have a sort of bilateral tries if you have a sort of welfare attitude perhaps you will be proceeding for the best agreement.

And remember that no agreement can totally be fair sometimes this fairness may also lead to some sort of loss, but this loss should not be great which cannot be hailed which cannot be overcome you also have to be competent enough this competence word in itself in tells a lot this talks about this mentions your communication ability this also

mentions your ability to read even beyond the words we have talked in the previous lecture how important is meta communication.

So, while you are negotiating you are also to be aware of the competence your competence and you are also to see because you are an observer there when you are negotiating you are not only talking and listening rather you are also reading the facial reactions of the other person how it is going to benefit or how it is going to harm.

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Moreover also see that you are not rigid throughout Flexibility is the hallmark of all negotiation. So, try to remain flexible, but at the same time also see that by flexibility you should not mean that you are simply going to lose be positive throughout because a little loss may have more gain in the days to come. These are some of the qualities of a negotiator.

Now there are different stages of negotiation the first is preparation and this preparation comes only when there is a conflict. So, and the need of the negotiation arises only there is a conflict. So, once you feel or once you are asked to go for a negotiation please make a thorough study of the issue and be prepared and when you are prepared of course, you will go for the meeting and during the meeting see to it most of the time most of the negotiations fail only because the negotiator is not having a control of his vocabulary as well as his language.

So, the need of the our is that during a negotiation because after the preparation phase the negotiation or the interacting phase will appear

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**Stages of Negotiation**

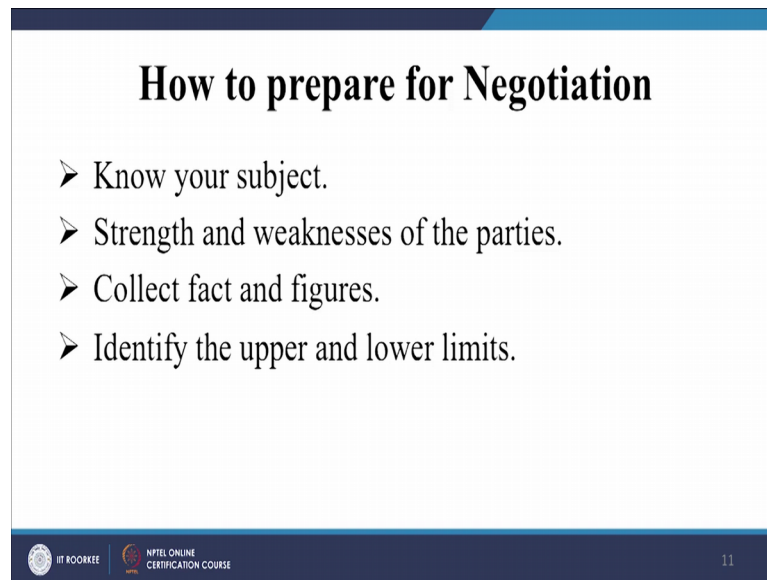
- Preparation
- Meeting
  - Speak simply.
  - Keep your cool.
  - Maintain conducive relations.

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So, during the negotiation you need to Speak very Simply, Keeping your cool throughout, and Maintaining a sort of conducive relationship; by conducive we mean a relationship where the other party also feels quite comfortable and at ease and you can provide that ambience by using a language say sometimes you do not agree you can always say I think we need some more clarity in this regard I mean this is the language that you will need moreover sometimes you feel that it is going to harm you I means any move is going to harm you can always say can you repeat can you repeat what you said earlier.

This actually ensures that you are more aware, you are more positive, you are always thinking in point of your own benefit as well as the other parties benefit and also loss.

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## How to prepare for Negotiation

- Know your subject.
- Strength and weaknesses of the parties.
- Collect fact and figures.
- Identify the upper and lower limits.

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Now while you are going to prepare for the negotiation as we have discussed a thorough knowledge of the subject is very important, a thorough knowledge of the issue is very important as I said in the beginning when you are going to buy the car what you do you do a lot of survey and you do a lot of survey by looking at the other models, by looking at the other companies, by looking at the other advantages and other benefits that a particular company is providing you with likewise on a negotiating table before you go you need to garner all the pieces of information on this particular subject.

And then remember sometimes for the other when you are going to present the fact the facts have to be more factual do not believe in providing facts that are false. So, please be consistent with the facts and figures because they are going to play a very crucial role in the negotiation, and be aware of the upper and the lower limits upper limits when we say means how much you are going to concede, how much you are going to provide the concession to the other party and the lower limits when you feel that the process or the process of negotiation is not going to work out or it is not moving towards an agreement say to it or remain prepared for little losses if you can have.

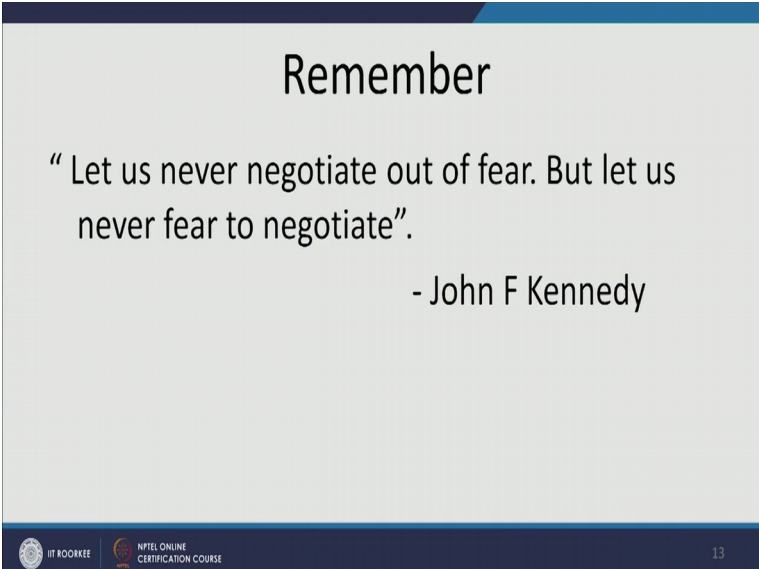
Because proper negotiation can take place only when the negotiator is aware of the upper as well as the lower limits of negotiation. Since you are confident and you have a very good communication skills because over the years you know you learn your negotiation strategies and skills by experience also in the very first instance you may not be that

confident, but in your everyday are transactions that you do with the shopkeepers that you do with others in various fields that will make you smarter enough.

So, you will have to pick up your persuasive skills in order that you are prepared for BATNA; BATNA stands for best alternative to negotiating agreement best alternative to negotiating argument. So, whenever you are on a negotiating table and when the negotiation towards the final process I mean it is going to culminate see to it that you are going to have a sort of BATNA, but sometimes this BATNA may fail because and if it fails please also remember you are going in any way not to accept the WATNA. WATNA is an worst alternative to a negotiating agreement moreover try to attain a sort of ZOPA; this ZOPA is the zone for possible agreement argue in such a manner present your case in such a manner that there is ample scope for ample possibility for agreement because the basic aim of all negotiation is to reach an agreement.

And when you are going to finally, agree see that this agreement ends or this agreement culminates in a win situation win situation for you as well as a win situation for the other party also let us negotiate every moment in our life and in our carrier and let us try to prepare ourselves for the best argument to a negotiated agreement because as we have discussed in the beginning and we are also reminded of what the former president of USA said “let us never negotiate out of fear, but let us never fear to negotiate”.

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Remember

“ Let us never negotiate out of fear. But let us never fear to negotiate”.

- John F Kennedy

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If you keep this mantra in your mind all your negotiations will end in success and in agreement to do, agreement to resolve, agreement to decide, the future course of action let us negotiate and let us negotiate for a meaningful agreement.

Thank you very much.