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Lecture-28 Negotiation - II

Hello friends! I am here once again to discuss the second part of negotiation and we have seen that negotiation which is an integral part of interpersonal skills and to get a successful negotiation you need to understand, you need to gather knowledge, you need to be very clear in your understanding and you need to have a very good communication skills.

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What do you need to develop a strategy?

> Identify the ideal future position at a particular point in time

> Work out the intermediate milestones from 'now' to 'then'

> Work out actions
> Failure to agree

Now from your ideal future position think about what is really important to you or the company. As we were discussing in the previous part or discussion that when you are at a point well how you are looking at the things. The more detail you can include the more you know what you want which is true as much as home as at work. So, where do you or it really need to be this is about prioritization priority prepare your essential position down to the bones so that you are really clear what is crucial.

Highlight the top three issues or elements then the top five. Identify any details which really do

not matter this is why you needed lots of detail at the last estate. You can now pick up which details are really important. Now it is time to work out the intermediate milestone from now to then. Now you know where you need to be in five years time where would you need to be in one two or three years in order to get there. Concentrate on milestones rather than actions that is things you will have achieved rather than what you are going to do in practical terms.

Finally, it is time to work out actions what you need to do to get from now to your first intermediate milestone then from there to the next and so on the previous position and the final position. Well this is the strategy making strategies; let us discuss action planning what is action planning? Action planning is the process of turning your strategy and goals into action taking your ideas and planning how to make them reality.

In other words, action planning is working out what exactly you need to do to get where you want to be whether those are personal goals or organizational goals. It does not matter as the skills required are the same. The best strategies whether for life or work include action planning as part of the strategic thinking after all it does not matter how good your strategy is on paper. If you cannot implement it so action planning ought to be a crucial part of the strategizing but often it is not.

If the process of negotiation breaks down. An agreement cannot be reached. Then, reach the reschedule if further meeting is called for. This avoids all parties becoming embroiled in heated discussion or argument which not only waste time but can also damage future relationships. At the subsequent meeting the stages of negotiation should be repeated. Any new ideas or interest should be taken into account and the situation looked at fresh.

At this stage it may also be helpful to look at other alternative solutions and/or bring in another person to mediate. There are times when there is a need to negotiate more informally. At such time when a difference of opinion arises it might not be possible or appropriate to go through the

stages set out ever in a formal manner but with the passage of time you know everything modernized.

Nevertheless, remembering the key points in the stages of formal negotiation may be very helpful in a variety of informal positions or position. In any negotiation there are three important elements that are likely to affect the ultimate outcome of the negotiation. What are these factors? (Refer Slide Time: 06:13)



Attitude, knowledge and interpersonal skills. What do we mean by attitude? Attitude of a people, attitude of an organization, attitude of a group all negotiation is strongly influenced by underlying attitudes to the process itself for example attitudes to the issues and personalities involved in the particular case or attitudes linked to personal needs for recognition. The more knowledge you possess of the issues in question the greater your participation in the process of negotiation is.

In other words, good preparation is essential. Why are negotiation skills important? That is a very important question. Why do we discuss this term negotiation in such a detailed manner why cannot we talk if we know how to talk if we have command over language we can do that well.

there is no doubt that language is very important a good command over language but it is equally important to have the negotiation skills to move to take further move.

You negotiate with your teammates on project dynamics, you negotiate with employees for salary and you negotiate with your teachers for grades, the fact is that whether you are aware of it or not you spend a significant part of your day negotiating. Which is why effective negotiation skills is extremely important and essential being a good negotiator allows you to build maintain and improve relationships which is a very important part of being a successful team leader.

Additionally, it also makes you fiercely efficient. Instead of spending hours monitoring your workforce arguing with them and trying to force them complete tasks you can reach common ground and eradicate the friction through your employee. Lastly being a strong; negotiation helps you to attain important goals and manoeuvre, deals in favour of the project or any work.

Thus negotiations play a crucial role in your success as a leader and career advancement. Understanding some of the interpersonal skills or soft skills necessary for this will certainly help anybody to get success. The first is ego. what is ego? Successful business people have egos but the reality is that you have to leave your ego at the door in a negotiation. If one or both of the parties have enormous egos there will be no common ground you cannot succeed in negotiating because you are not willing to compromise and give up anything on your end.

The emphasis should be on the fact not on attitude or emotions. So both parties look for common ground and shared goals in an agreement. Next is respect I cannot say this enough respect matters being respectful of others is essential to build trust and succeed in negotiation. Respect does not just mean comporting yourself as a professional at all times. Even if things get heated it also means that you respect someone else's expertise ideas and time that is to say that you are giving a space to other also.

You try to accommodate others' ideas when you are negotiating having an attitude that signals to others that you are too important and you are not going to let others waste your time is not the right approach if you want a meaningful relationship. So, please take care of your attitude maintaining respect will always leave good impressions. Even if the negotiation does not close the way you wanted it to.

Then pragmatism. what is this? You have to be pragmatic practical to see what the other side is trying to accomplish. If you are practical you can place yourself in their shoes and understand their concerns. You will be able to negotiate properly feeling that both parties are gaining from the experience. Pragmatism also serves to keep you humble so that you can be in a position to think through both sides of the issue in the inevitable moments that there is a disagreement.

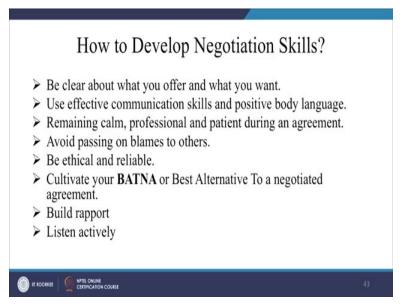
Creativity; creativity and the ability to think on your feet are also essential interpersonal skills and this is also very important for negotiation. So, you need to develop it to get a successful negotiation. Sometimes, things may seem impossible or an impulse may occur and this is when creativity is an necessary element of any negotiation is stepping away from the situation rethinking it and then moving back to the negotiating table can keep you and your partner in the game.

One of the most critical aspects of developing a creative solution is to ensure that you obtain all the facts you get to a sticking point. Humour, if we talk of humour it is very important. I cannot tell you how many times in my career humour has helped me close a deal particularly when things have gotten tough even in personal life in professional life. Humour can be used to gain someone's trust and also defuse a tense situation.

The reality is that people are drawn to a little fun and for good reason. One of the benefits of humour is that it helps to relieve stress and make atmosphere light comfortable convincing. So, develop humour is very important. The more interpersonal skills you develop the better your

reputation as a top professional who earns people's trust and gets things done will be the more your reputation excuse win-win deals which include respect creativity, the more others will want to do business with you and seek you out. How does one develop negotiation skills? Again and again this question occurs now that we have established the importance of negotiation skills there are certain steps one can improve the negotiation skills.

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Always be clear about what you are offering and what you need from the other party. Be consistent while presenting your goals and expectations. Use effective communication skills and positive body language that is to improve your attitude. Do not be selfish try to arrive at a mutually beneficial solution in case of conflicts. Develop a habit of remaining calm professional and patient during an argument.

Always avoid passing on the blame to other people. Try to see what all went wrong from your sight that is to say that have this goal to take the risk. Be ethical and reliable. Do not try to take advantage of people by unethical practices. It takes a lot of time to earn respect as a negotiator and it just takes a minute to lose it. Analyze and cultivate your BATNA capital B capital A, capital T, capital N, capital A. In both integrative negotiation and adversity are gaining your best

source of power is your ability and will to walk away and take another deal.

Before arriving at the bargaining table, wise negotiators spend significant time identifying their best alternative to a negotiated agreement or BATNA and taking stage to improve it. What is BATNA? BATNA is an acronym that stands for best B for best A for alternative T for to N for negotiated A for agreement so it stands for 'best alternative to a negotiated agreement'. It is defined as the most advantageous alternative that a negotiating party can take if negotiations fail and an agreement cannot be made.

In other words, a party's BATNA is what a party's alternative is if negotiations are unsuccessful. The term BATNA was originally used by Roger Fisher and William Ury in their 1981 book entitled 'Getting to Yes: Negotiating Without Giving in'. Built rapport. Although it is not always feasible to engage in a small talk at the start of a negotiation particularly if you are on a ride airline doing so can bring real benefits that it says shows.

You and your counterpart may be more collaborative and likely to reach an agreement if you spend even just a few minutes trying to get to know each other. If you are negotiating over email even a brief introductory phone call may make a difference. This is one of the most valuable negotiation skills to master. Listen actively once you start discussing substance it assists the common urge to think about what you are going to say next while your counterpart is talking.

Instead listen carefully to her argument then paraphrase what you believe she said to check your understanding. Acknowledge any difficult feelings like frustration behind the message not only are you likely to acquire valuable information but the other party may mimic your exemplary listening skills. Ask good questions; you can gain more in integrative negotiation by asking lots of questions. Once that are likely to get helpful answers avoid asking yes or no questions and leading questions such as do not you think, that is a great idea.

Instead craft neutral cautions that encourage detailed response such as 'can you tell me about the

challenges you are facing this quarter?' in that respect you may get a detailed answer and if you

get a detail answer you can read the mind of the other party. Search for the smart trade-offs in a

distributive negotiation. Parties are often stuck making concessions and demands on a single

issue such as price. In integrative negotiation you can capitalize on the presence of multiple issue

to get both sides more of what they want.

Specifically try to identify issues that your counterpart cares deeply about that you value less

then propose making a concession on that issue. In exchange for a concession from her or him on

an issue you value highly. Be aware of anchoring bias, ample research shows that the first

number mentioned in a negotiation however arbitrary exerts a powerful influence on the

negotiation that follows. You can avoid being the next victim of the anchoring bias by making

the first offer or offers and trying to anchor talks in your preferred direction.

If the other side does anchor, first keep your aspiration and BATNA at the forefront of your mind

pausing to revisit them as needed. Take all the points from the other side very seriously and

minutely. Present multiple in equivalent offers simultaneously rather than making one offer at a

time consider presenting several offers at once. If your counterpart rejects all of them ask him to

tell you which one he liked best and why?

Then work on your own to improve the offer or try to brainstorm with the other party an option

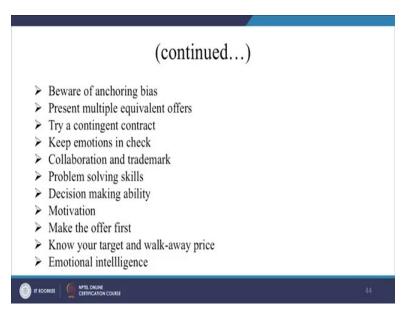
that pleases you both. This is strategy or presenting multiple offers simultaneously decreases the

odds of impasses and can promote more creative solutions. Try a contingent contract; negotiators

often get stuck because they disagree about how a certain scenario will play out over time. In

such cases try proposing a contingent contract in a sense about how future events will unfold.

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For example, if you doubt a contractor's claim that he can finish your home renovation project in three months proposed a contingent contract that will penalize him for late completion or reward him for early completion. If he truly believes his claims he should have no problem accepting such terms plan for the implementation. Another way to improve the long-term durability of your contract is to place milestones and deadlines in your contract to ensure that commitments are being met.

You might also agree in writing to meet at regular intervals throughout the life of the contract to check in and if necessary renegotiate arises can be a wise move. In addition, adding a dispute resolution clause that calls for the use of mediation or arbitration if a conflict arises can be a wise move. Keep emotions in check; it is vital that a negotiator should have the ability to keep his emotions in check during the negotiation.

While in negotiation on quaint newest issues can be frustrating allowing emotions to take control during the meeting can lead to unfavourable results. For example, a manager frustrated with the lack of progress during a salary negotiation may concede more than is acceptable to the organization in an attempt to end at the frustration. On the other hand employees negotiating a

pay raise may become too emotionally involved to accept a compromise with management and take an all-or-nothing approach which breaks down the communication between the two parties.

Negotiation is not necessarily one side against another arrangement. Effective negotiators must have their skills to work together as a team and foster collaborative atmosphere during negotiations. Those involved in a negotiation on both sides of the issue must work together to reach an agreeable solution. Individuals with negotiation skills have the ability to seek a variety of solutions to problems. Instead of focusing on his ultimate goal for the negotiation the individual with skills can focus on solving the problem which may be a breakdown in communication to benefit both sides of the issue.

Ethical standards and reliability in an effective negotiator promote, a trusting environment for negotiation both sides in a negotiation must trust that the other party will follow through on promises and agreements. A negotiator must have the skills to execute on his promises after bargaining ends. Effective negotiators have the interpersonal skills to maintain a good working relationship with those involved in the negotiation.

Negotiators with patience and the ability to persuade others without using manipulation can maintain the positive atmosphere during difficult negotiation. Leaders with negotiation skills have the ability to act decisively during negotiation. It may be necessary during a bargaining arrangement, to agree, to a compromise quickly, to end statement. Negotiators must have the ability to communicate clearly and effectively to the other side during the negotiation.

Misunderstanding can occur if the negotiator does not state his case clearly during a bargaining, meeting. An effective negotiator must have his skills to state his desired outcome as well as his reasoning. Effective negotiators must have their skills to analyze a problem, to determine the interest of each party in the negotiation. A detailed problem analysis identifies the issue at the interested parties and the outcome goals for example in an employer and employee contract

negotiation the problem or area where the parties disagree may be in salary or benefits.

Identifying the issues for both sides can help to find a compromise for all parties. Being seen as a great team motivator is typically key to moving up any company's organizational chart. Great leaders do not tell people what to do they inspire them to do their best. Learning how and when to delegate tasks maximizes the efficiency of your team as you garner more responsibilities within your organization chances of delegating iare going to be an increasingly important skills to have especially for negotiator.

Creating an illusion of control for the other party gives you an advantage in the negotiations by asking questions like how or what you let the other side engage their mental energy to find the right answer this forces them to go slow on the bidding and focus on responding to your query first. Most people are reluctant to go first for fear that their bid may be too low or too high. However, making the first offer may actually give you the upper hand since you propose a price that is close to your target price.

The first number says they stage and the other party it starts to negotiate around it. Also a high price makes the other party focus on the positive and therefore they may readily accept a number close to that. The quickest way to create a rapport with other party in a negotiation is to repeat the last three words they just said to you. This negotiation tactic makes them feel safe enough to trust you and reveal themselves to you.

You get to learn what they are thinking by giving them more time to respond to you on your part you get more time to think about what they just put forward and prepare a well-thought-out response. Know your target and walk away price, if you really want to lock in that promotion before the negotiation even begins hone your innovation skills. Emotional intelligence is also very important if you want to be a good negotiator.

Well these are the important aspects of negotiation and I'm sure that it is going to help you to be a good negotiator. Negotiating parties also practice certain communication skills like active listening is speaking of the purpose of strengthening their relationship. Well I am sure that you must have gathered good points to enhance your negotiating skills. thank you very much.