

Soft Skills for Business Negotiations and Marketing Strategies
Prof. Uttam Kumar Banerjee
Department of Architecture and Regional Planning
Indian Institute of Technology, Kharagpur

Lecture – 46
Key Concepts and Our Concepts of Negotiation

Good morning friends, we have discussed about the place the place of negotiation, what kind of environment you should have. Now today I will discuss about some of the concepts key concepts which are very popular and such concepts definitely have a very strong bearing on the negotiation; after discuss about the key concepts some of the concepts which we also evolved through our research I will discuss about that.

(Refer Slide Time: 00:46)

The slide is titled "Key Concepts" and contains the following information:

- **BATNA : Best Alternative To a Negotiated Agreement**
Developed by - Roger Fisher and William Ury
 - Own BATNA (Strong / Weak)
 - Opponent's BATNA
 - Improve Own BATNA
 - Weaken Opponent's BATNA
- **Reservation Price - Ceiling Price / Floor Price**
- **ZOPA : Zone of Possible Agreements**

At the bottom of the slide, there are logos for IIT Kharagpur, NPTEL Online Certification Courses, and Professor Uttam Banerjee, Department of Architecture and Regional Planning, IIT Kharagpur. Research credit is given to Ms. Devottama Banerjee, Director, GreenInfra Creations, STEP-IIT Kharagpur.

Now, under this key concept a very popular one a very important one which has been developed by Roger Fisher and William Ury is BATNA B A T N A; what is BATNA? It is the best alternative to a negotiated agreement. Let me explain this what is this BATNA.

Whenever you are going for any negotiation you know that you may win, you may lose. Now when you are in the process of negotiation then you should first work it out that what is the best alternative that you have at your disposal in case you lose this agreement; that means, you lose this negotiation.

Under this situation you work out first that in case you lose it nothing goes wrong. That sets a kind of you know mindset and also a limit. That is considered to be the best alternative to that negotiated remain that you are going to have. And this particular best alternative is your strength; that means, an example is you are negotiating for a particular project, the project is take negotiation is taking some time and you are thinking that you may win you may lose; that means, you have let us say 50-50 probability of this.

At this point of time what is the other alternative that you do have? You may have another opportunity, you may look for another clients, you may talk to some other people, you may go through other negotiations and then you know that in case this particular negotiation does not come into reality; it does not really make much of a difference to you. So, you have another alternative to this and then another alternative which may be the best alternative for this negotiated agreement. So, if you lose it does not matter to you. This gives a lot of strength, but it also requires a little bit of assessment of the BATNA.

In that BATNA, the first is you find out that what is your own BATNA? That means, you have the best alternative, you have a strong best alternative or you have a weak best alternative. What is your alternative? When you go for negotiation if you think that if I do not get this job then for next six months I do not know what will be the kind of you know earning from other projects; that means, you are a little weak in BATNA, but if you know that there are other negotiations going on and this is a negotiation you are entering into; you really do not care much or do not be concerned much that if you lose it then you are strong in a BATNA. So, what is very important is you to you try to find out your own BATNA.

You would say that you identify your own BATNA, you acknowledge in the BATNA. So, it requires a good amount of analysis, it is not simply you know like I have 5 projects; I do not care no it is not that; it is for anything you consider the best alternative. Another example is suppose you are trying to buy a second hand car, one person is negotiating with you, you want to buy his car and then you are negotiating. At the same time you must be having the idea of the price of another car and with whom also you are either negotiating or you have just at a preliminary top; that means, you know that if you lose this particular negotiation; this buy you do not let it happen you do not mind because you have another one which you are going to fall for. So, always your best

alternative should be in a very strong position; most often people lose in the negotiation when they have the weak BATNA.

If you are thinking about your own BATNA it is also important that opponents also have their own BATNA; that means, your own BATNA and opponents BATNA. That also they are trying to as you know putting yourself in their position if you analyze, they have a strong BATNA. So, they are going to have more power, more aggression to this negotiation to get the points as per their advantage ok. So, there is something called opponents partner. This another thing is like say BATNA is there strong or weak; if you find that your BATNA is weak then the first thing you should try is you try to improve your own BATNA.

It is a pure mind game I will tell you and also some bit of practical field game. The mind game is the biggest strength that you have is if you have improved your own BATNA and then you are going for negotiation. So, you work it out that this is one project I am trying, I am also trying three four other projects; this project I succeed, but if I lose I have other projects; the weak BATNA are such situation when a person is thinking about getting this negotiation successful leading to success because he does not have been either option. Now what is a weak BATNA about the opponents An opponent is looking for services and you are a very good service provider.

Opponent will always try to have your services, but the thing is he knows that he may not be able to pay your charges. So, there is a chance that during negotiation you will put forward your rates which he may not be able to pay. If; then he will be slightly skeptic about the whole success story of this particular negotiation; then he might think that I am trying to get a service from this person and this person is quite expensive; I will try to negotiate, but the thing is I am not very sure whether I will be winning this negotiation. If I do not win this negotiation then I have to pay either the pay the price that he is asking for or else I lose his service. This is the weak BATNA on the opponents.

In the whole process of your negotiation, what you try to do is through discussions, through verbal communications, through your mind game, through your play of body languages you try to improve your own BATNA and you try to also reduce the BATNA of others; that means, you are trying to weaken the opponents BATNA and this is a game I will tell you, this is a game which is very much enacted through verbal communication.

And you may not be fully prepared with your best alternative, fully prepared. But the thing is during the negotiation suddenly you may come across a situation when you realize I am in a better position; if I do not agree to their conditions I do not lose much, but the thing is if they do not agree to my condition they are going to lose me, this is what is the line. This brings to one particular point; this is one concept. Another concept is reservation price reservation price is basically it is a ceiling price or the floor price.

Suppose you want to buy a piece of land, you are now negotiating with the landowner; you have he has asked for a price. He walked it out that this particular property at this particular point of time the market value is supposed to be so much rupees or so much dollars. He puts forward that price and you have also on the market study and you might have found that the price is almost similar to what he is asking for. You know essentially what happens is both of you the buyer of the property and he the seller of the property both have done the market study.

Once they have done the market study, but you got contacted for negotiation purpose where you want to strike a deal both mutually profiting or benefitting. In such cases both will try something the similar thing, but only the value will go in a different direction. What you will do is suppose the market values x you will always try to pay the market value which is x minus Δx ; that means, you want to pay a little less than the market value.

And the suppose the same x value which the a seller is asking for; he has walked it out from the market value, he would always like to have Δx plus; that means, he would like to have x plus Δx and you are trying to make x minus Δx ; this is a situation; that means, you are trying to lower the price for your benefit. Because the asking price minus the price that you are now committing to; this is the profit that you are making.

At the same time for him one is that asking price is this and he would try to see that first he will put a price which is slightly higher than the asking price. You know this asking price is a very volatile line. What he will try? Even if he is not asking more than x , he will certainly not expect that the price will be x minus Δx ok. Means he does not want to lose. If he loses; that means, he reduces the price you win it and if you lose; that means, you are paying the same price to him. Now this x value sometime you know becomes very very sensitive matter.

So, for which when there is a culture of negotiation or bargaining in any kind of transactions in the market; in such cases what is done is the seller will always put a price higher than the actual or the prevalent market price; he will put it higher because he knows that the buyer is going to ask for less prices. But everybody has got a reservation price and when see you have a limit of going higher in prices; that you will always try with say the asking price is x you will always say that I will pay. Let us take an example with 100; 100 rupees is the price of that and you would say that I can only pay 90; that person will say 100.

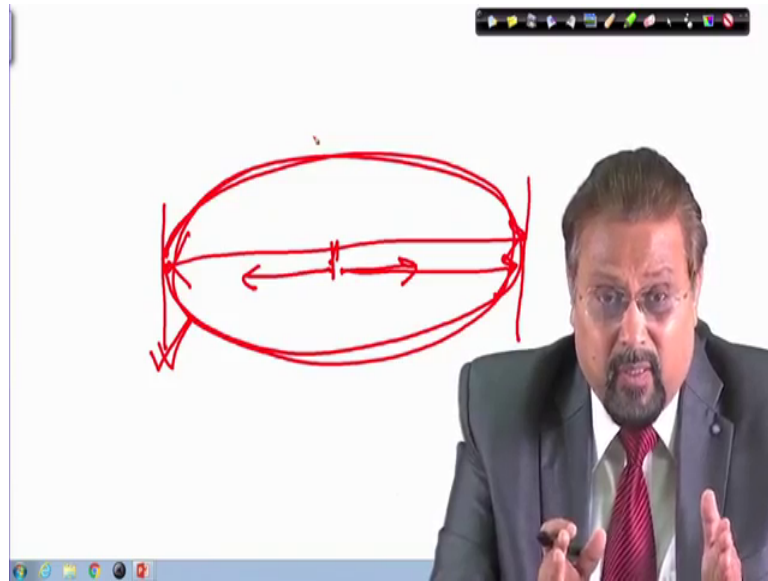
He will say in such cases let us at the most let us be 95; he is losing 5. If he agrees to that particular 5 loss; that means, he is fixing the price at 95. So, he has a price in his mind which is the reservation price; that means, he knows that I am asking for 100, but I should be ready to part with it if it is 95. So, that is a lowest price that he can go to. So, that is his floor price; below this he will not simply give and you have decided that I will try to get at 90; I know the market value is 100, I will try it with a 90 and I will negotiate with him and if suppose I come to 95; that means, you are raising your price from a very low asking price from your side.

Now, when you are going to raise it then you come to 95 and then above that it goes to you do not buy, you do not strike the deal; that means, that is your ceiling price. The ceiling price of yours and the floor price of the seller is basically the reservation price for both of you. Now this price factor is you know it is a line, but the thing is the line also keeps on going up and down. It always depends on certain other things like market, the market condition, the demand, the supply.

So, negotiation does not mean that you will be always winning or losing or that is not the point. The point is you are trying to get a value which is with respect to that. That means, there is a reservation price. So, which side you are? Whether you are trying to sell or you are trying to buy; you have to decide that what will be the resolution price and below that or after that level you simply do not strike a deal.

Then there is another very strong concept that is called ZOPA: Zone Of Possible Agreement here.

(Refer Slide Time: 13:28)



I would like to show you, say you are now working out, there is a line here and there is a line here you have started from this particular point this is the level within which you are not trying to negotiate. This is your side and this is the opponent side; you will always like to get the price towards you as much as you can and this person will try to get it to this direction as much as he can ok. This brings up to a situation which is a zone of possible agreement; that means, within this at any point the price may be fixed. It may so, happen if your price that you are ready to pay is found to be at one (Refer Time: 14:18) after negotiation reasonable by the seller, he will strike a deal here or else.

In this that when you are trying to say go into the negotiation for this particular item for the opponent; this is a zone up to which he can accept ok; that means, this is a zone which gets created all through within which all I would say negotiation discussions will go on. How much is this that we do not know. what is this particular line that also do not know when I was giving a very clear idea about the buying and selling it becomes a price, but the thing is when it comes to many other factors like a contract to be given or not given; agreed terms and conditions; in such cases price is not the prime factor. The price is with respect to whatever you are agreeing to serve or provide or deliver and whatever they are ready to accept as a deliverables.

So, this is the discussion that will go on. So, there will always be a situation in a negotiation where there will be a kind of tug of war. Now that tug of war situation in

which is limiting within a particular limit it is that zone of possible agreement; that means, the whole thing will take place within this particular zone. Here in this kind of situation I would say it is a zone of possible agreement, but you know when we had been analyzing this zone of possible agreement; we have found out another thing and that we would like to share with you ok.

(Refer Slide Time: 16:00)



Our Concepts

- ZOPDA : Zone Of Possible Disagreements
- ZOCA : Zone Of Comfortable Agreements
- CZone : Comfort Zone
- PZone : Profit Zone
- WONA : Worst Outcome of Negotiated Agreement
- AoDR : Axis Of Dispute Resolution
- ED : Exit Domain
- PoNoR : Point of No Return

IIT KHARAGPUR | NPTEL ONLINE CERTIFICATION COURSES

Now I have talked about the zone of possible agreement; that means, this is a zone within which probably agreement will take place. We have understood the whole of this particular domain to be slightly fuzzy slightly blurred. Now there may be a situation where you have a zone of possible disagreement where lies this particular possible zone of disagreement. See one is that you are agreeing within this you have negotiations you agree and then beyond this is a possible zone of disagreement. But this disagreement what I am trying to say is that if you go beyond this particular line, see when I have drawn that particularly line if you recall take a centre line and then almost draw a line on this side and the equal on this side; that means, the tug of war will go on between these two.

But it may; so, happen that from the centre this particular line of the opponents is shorter and on the other part like say yours is a little longer; that means, you are ready to accept many of the conditions, you are ready to give some of the concessions, you are ready to

even deliver more than what is really should have been depending on the market situation; that means, your line is length is a little longer than the opponents.

But that particular line between the opponents point and your point just beyond that is the possible disagreement. Now there is a zone; you go beyond this particular line, after that it is a total disagreement; total disagreement means you do not agree simply say no. Now this we have found in many of the negotiations that maybe, let us look into it, let us discuss again, we will get back to you; these are basically the zones of possible disagreement because it is not agreed.

Maybe let us look into it, let us try, let us meet again all these are giving that particular chance but beyond that particular line is the total disagreement. So, possible disagreement is just the line a little away from the zone of possible agreement. When you go a little further in how much further on each side that cannot be really stated now; this generates during the discussion. It may so happen that you have gone for getting a project from the client and you thought that the client will put forward their requirements and you will put forward your rates and then client will negotiate on the rates.

But you will see that it may so happen that the client is not talking of the rates at all. First he is trying to negotiate about the deliverables; he is not talking about the rates, he is not even asking you for the rates. So, this zone of possible agreement is now working on the deliverables. So, what happens is this ZOPA gets segmented or fragmented. First the deliverable let us talk about.

Like an example let me tell you that let us talk about what are the kind of deliverables that you can give the operator is asking you; the client is asking you or you are asking the client please tell us what are the deliverables you want from us. Then you say after hearing the entire set of deliverables that they do require this particular item of services we cannot give; we are not equipped with or this kind of deliverables we can give up to this much of precisions; that means, you are not detailing it out. So, there is a possible it remained on first the deliverables.

Once it is agreed then comes the price and now for each of the items you either you say price like that or you say an overall price that ok, w will check, lump sum this much. Then again the zone of possible agreement gets created. It may so, happen that your zone of agreement possible agreement has been fixed for your deliverables but now it

becomes also a zone of disagreement for your rates. This possible disagreements zone you must identify because beyond that if you go it simply becomes no no from both the sides ok.

So, this you have to be very careful. Here we thought there is this another concept we are thinking of introducing is this we are calling this as ZOCA; Zone Of Comfortable Agreements. Zone of possible agreements, zone of possible disagreements; this we take into consideration, but there must be within this a zone which is of comfortable agreements.

Everybody who wants to part with something; that means, especially the money will always try to part with less and get more and the opponent will try to get more money and give less. So, naturally negotiation will take place, but if suppose there is a situation which is a zone that is created where it is a comfortable agreement; that means, somebody asked for a price you say ok, just you know you reduce a little bit he does not mind he says fine.

But if you can gave that much I would have been happy if not I will agree to you of this rate because he knows that he is within the zone of comfortable agreements. This comfortable agreements is very you know I would say it is very contextual; we really do not work it out before. What you work out is our reservation price. We decide this particular property you are going to sell not below this price on your side.

Now, suppose you are going to buy then you decide this property I am going to buy, but not above that price; that means, you have set your ceiling price and he had set your his floor price, but if the price is such that it does not really call for you know so much of negotiation to lead to that particular reaching the floor and ceiling price which you know is a price at which both of you agree to strike the deal.

So, the seller came down to a floor price here and you went up to the ceiling price here and that is the price; one single price ok. If suppose that particular point is somewhere is a slightly higher then it goes into the zone of comfortable agreements. And more you work with the same clients and more you interact with them and more you have been delivering better more diligently and more loyally; you will find your zone of comfortable agreements during negotiation will become you know it will emerge very fast.

My experience is that the first time if you are trying to negotiate with somebody in such situations your zone of possible disagreement sorry, the zone of possible disagreements is likely to come up very fast. Because you are trying to know each other, you are trying to judge each other, you are trying to see the strategy of each other and then you are trying to find out the possible agreements.

So, zone of disagreements is little larger from there the zone of agreements is lesser within this is a zone of comfortable agreements. This has to be very well understood, more you work after that you will find that this disagreements will not arise and then even the zone of possible agreement you do not have to bother because already at the back of your mind along with your open and smoother client your zone of comfortable agreements is already there.

It may be the price fixed; one example is that we decide for all your projects my rate is this. And then if all our projects the rate is this then it is always a comfortable agreement, but it may so happen the rate is fixed, but still every time there will be a brief negotiation that brief negotiation is about finalizing the terms and conditions. So, it is it is very in a common that even if you are working with the same client or same partner or same collaborator for years, but every time there is a TOR written rewritten TOR is Terms Of Reference rewritten.

You might find that the language is same; everything is same maybe a bit of deliverables change a bit of pricing changed. And if suppose the pricing need to be changed by either of the parties for the market situation; in such cases it calls for a very quick and very comfortable zone of negotiation for agreements ok. Now another thing; so, it is basically a CZone; we say a comfort zone. We are talking about agreement, but the thing is a CZone.

The comfort zone is in your mind when you are meeting even over phone if you are negotiating is if you say that fine; this is the first project we have done very successfully we are very happy with it. And the second project let us go ahead with it and let us work out the deliverables and also the prices ok. When you are talking about it basically you are negotiating; you will say a price, they will say no, can it be a slightly lesser. They will put for more of the deliverables that is required from you and you say can it be slightly lesser that means, but you are still within that CZ.

The CZone I call; the comfort zone. So, always during negotiation, try to find out the comfort zone. See going to a shop and then bargaining is a very common thing for any other buyers who are just simply going for window shopping and then finally, enter the shop and then as for the price and then negotiate ok. But that is generally the comfort will probably come in that particular situation if you are known to that particular shop owners or the salesperson it happens ok.

That means, this comfort zone or CZone will come only when you are repeatedly doing negotiations with the same parties over and over again for different products not repeated negotiation on the same product ok. And there is another is a profit zone see here the PZone, the profit zone is a very interesting thing. I said the negotiation is generated when somebody says no; that means, you are asking for something and the response is no.

That means you are asking for what? You are asking for reduction of price for a for an item which you want to buy and the response is no. And then there is a then you will say ok, I will not buy, the shop owner say ok tell me how much you want to pay; that means, he is having a profit zone. He knew that this much of profit if he says no first time and if you succumb to that and buy it then his profit zone is maintained and it is a highest profit that he is going to get but he knows that if you go back without buying then his profit zone is now again back to the price. He will not likely lose it.

So, what he does is he tells you ok tell me how much the price you are ready to pay. The moment he says it minded the whole negotiation game becomes a different kind of mind game. Then you understand the price was raised or escalated. So, he gave me an escalated price and now he is asking for what is the price I am ready to pay. Then what will happen is the buyer will automatically lower down the price asking price at a very low rate. And then what happens is the whole band between the low price of the buyer and the price at which the seller is going to sell it become slightly extended inelastic and then the negotiation keeps on going.

You increase by 1 rupee, he reduces by 1 rupee, you increase by further 1 rupee, he reduces by 1 rupee. At one point it comes to a situation, but the thing is the seller he has a profit zone that he will be within that region and you as a buyer also will remain within a profit zone. So, profit zone the PZone is very important. Now when the PZone and the

CZone almost matches then the negotiation becomes very comfortable and that is what is the zone of comfortable agreements.

We have worked out another that is we are calling this as a worst outcome of negotiated agreement; this is a very sensitive thing. You know I do not know how to pronounce it WOnA or WOnA whatever, but the thing is basically Worst Outcome of Negotiated Agreement try to understand this point.

See you have as you are trying to find out during your negotiation the BATNA what is the best alternative? If you lose it how much you lose really? Do you have another project of the back up your mind. If you have 10 projects then you do not mind negotiating on the last 11th project and then lose the negotiation; you do not mind because you have 10 projects, but imagine if suppose you did not have one project you did not have these are one project that you are going to get for your next 6 months or 1 year of running of the operations; then you are having a various very weak BATNA is not it.

This is a situation where your worst outcome of the negotiated agreement starts you know; if I lose this I lose project for my next 1 year; that means, the weakest BATNA at that point you know this worst outcome negotiated agreement emerges, but what let me give you some advice.

When you know that your BATNA is weak; never give any kind of signal to the opponent that you have BATNA is weak; never. Even if you are starving at your office that you are not being able to pay your staffs, you are not be able to pay your rents and this project is a very vital one we want to win, but at least you give an expression of a very strong BATNA.

In such cases I have found many of the negotiators they also lie they say I do not I do not mind if I lose this alright, but I am not going to be ready at this particular price because we have other works at a home, but he knows inside that there is no work at home. This is the real psychology game you know at that point it becomes very difficult ok. Now if you are having worst what is the worst outcome of negotiated agreement is that if you do not win you lose.

You lose the project. So, what you try to do is you try to now negotiate and compromise and if suppose the opponent understands that you are having you know weak BATNA and which might lead to one of a you then they are going to pressurize you, push forward; they become pushy and ultimately make you agree to a situation which is not really comfortable ok; now this is the worst outcome.

Every time I am talking about dispute because dispute whenever it is coming like you know in the negotiation you are not agreeing or agreeing not agreeing, basically there is a dispute of agreement ok. That is why we find that there is a line there is a line which is the axis of dispute resolution; that means, you can change the line. Say your standpoint is here. It happens for many of the negotiations which are diplomatic, which are political in such cases they change the axis.

Say first everybody starts with the axis that is a line from where on either side everybody has fixing up their line of the possible agreement. And then beyond this they are trying to find out what is a possible zone of disagreement and then they are playing within it, this side and from this particular line another side is playing ok.

Now, this axis is never static at that point of time you know it is just like a tug of war you will see that there is a line here and there is a rope and there is a handkerchief tied in the center. During the tug of war you will find that this particular handkerchief is moving towards one direction, but the game is not yet over. Sometime again you will find that the opponent is pulling more, this came to the line and then again it comes to this line this side.

And then again it comes to this side but ultimately what happens is this particular handkerchief goes to one side who wins. Now there is a particular axis of dispute resolution which we first fix very methodically with my through protocols. And after that if necessary during negotiation we change the axis a bit; that means, this particular line we change; either in favor of the one side or in favor of the other side; we change it a bit and that becomes a line from where the negotiation starts.

So, this axis of dispute resolution AoDR is very important, but there is something called exit domain and there is something called point of no return; you know tear in negotiation it is not necessary that every time you have to succeed or lose no; that means,

succeed means you won by your conditions and lose means you succumb to the others openness condition.

But your whole negotiation might lead to a situation where there is a exit domain; that exit domain you have to understand. You remember that I have talked about exit before, this domain if you do not understand then if you agree to something which you may not be able to deliver, then it results into that WOOONA; the worst outcome of negotiated agreement. Let me give an example let me give an example as an architect. The standard fees for an architect for a project may be 5 percent of the construction cost.

You know it. It is laid down by our council of architecture and now you are negotiating with the client who is going to give you a project for which you are charging 5. That 5 percent is first the point you will start with, you will say that as per our council of regulation architecture norms our fees is set to 5 percent, the client will say no. If he says yes, no negotiation; it will just simply becomes so, comfortable that you strike a deal sign the agreement and come back with the project, but client will certainly say no because he will always try to see if this 5 can be reduced.

If suppose this particular 5 percent would have been a legal document, legal points then he would not have even said no; he would have said 5 percent as per law; I will give you 5 percent, but the thing is since our norm is such that it has a little bit of flexibility of negotiation then the client will say no it is not 5 percent.

Now, you will start with what? You will say a little less than 5; he will say no I would pay much lesser. So, he may start with I can give you 1 percent that well lies that axis of dispute where is it? It started with 5, but now after sometime suppose you say not less than 3 percent; he says I can go up to 2 percent; that means, your axis of discussion has now changed to 2 to 3 during that particular in that particular zone.

But suppose to get your project because you are having a very weak BATNA, you do not have any project running now, you have 15 steps to be fed every month; you thought one person is right let me take it. You took it at 1 percent mind it all your costs outgoings, our overhead costs are same ok. And only thing is originally if you thought that if it was 5 percent given to you then probably 1 percent you reserved as your profit and the corpus for the company and the remaining you would have spent for hiring better architects and better draftsman, better you know consultants and all.

But now that it has come to 1 percent first what you will do is from 1 percent you will consider how much is going to be my overhead? That overhead you reserve because that is a fixed cost for your establishment and then the remaining is for your other expenses including your own charges. So, there is no chance of any profit, but you have agreed, you have agreed to give so many deliverables and but the rate is so less.

In fact, basically you have gone into the situation where it is a worst outcome; you have negotiated, you have agreed, you have signed the agreement but you are stressed. And till that end of the particular project you are stressed and if you are stressed; it is better that you do not accept it, you just exit. Because the moment somebody is pushing you to a very lesser rate compared to what you have asked and then; that means, he is pushing you to exit domain; giving a sufficient amount of hint, do not take it do not take it, but you have put being pushed to the exit domain.

The moment you are pushed to the exit domain at that point of time you better exit and if you think no you can still make it, but be very clear about one thing that you are within that WOOA and there may be a situation that if suppose the client says 1 percent and you are saying I cannot do it at 1 percent then that is a point of no return; that means, now we are going to come back. You are going to say I do not agree, the deal cannot be struck and you simply leave the negotiation ok.

After that see I am saying point of no return if then the client calls you back again and say why do not you reconsider that 1 percent basically it is a point of no return your crust. Once you are pushed to the exit domain; exit domain is also slightly large; it is not one line. Once you are pushed into the exit domain you always try to work out that ok, the expenses which I thought that I will be meeting from this particular project can I get it from somewhere else. You start working you are over it expenditure to be shared by some other projects, that is how you work it ok. In the whole situation you should always be very clear about this situations here where there could be a zone of possible disagreements.

So, as you are think should be very aware about your own BATNA; I would suggest that never have you know never be over ambitious or over speculative about your own BATNA; you should be very realistic. If you think that you have a strong BATNA then you should be very realistic do you are you really having a strong BATNA ok.

And your reservation price you work it out with a thorough research do not wait arbitrarily, do not think that somebody called you; that means, he wants to hire you no, he must have called 10 others and having the similar negotiations with 9 others including and excluding you. So, the thing is and then always while discussing try to see that where lies that zone of possible agreements within which you are likely to agree.

But always try to see that what is that zone of disagreement which is beyond this particular line and after the particular zone of disagreement you will find that you are simply leading to the exit domain. And find out within the zone of a possible agreement the ZOPA; are you having the ZOCA; that means, the zone of comfortable agreements. It may be slightly move to the other side less to your side or more to your side and less to the other side.

But it is a comfortable agreement and so, you try to identify that comfort zone and be within your profit zone. Generally what happens during negotiation everybody tries to compromise on their profit, not the actual cost. And unfortunately in such kind of situations we like say architectural professions and other; in such cases what happens is where there is there are too many completions; in such cases people are really making concessions more than what they can really deliver ok. So, this you have to understand. I will go ahead with the next points after this.

Thank you.