

EFFECTIVE ORAL COMMUNICATION

UHB 3052

EFFECTIVE NEGOTIATIONS

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EFFECTIVE NEGOTIATION SKILLS IN ENGLISH

**Win-win
Situation**

Compromise

**Exchange
views**



Prepare

Bargain

Give & Take

Confer

EFFECTIVE NEGOTIATION SKILLS IN ENGLISH

OBJECTIVES:

By the end of using this module you should be able to:

- **Demonstrate understanding of the basic process and approaches to negotiation**
- **Apply negotiation skills in your daily routine**
- **Build up talk strategies and use appropriate phrases in negotiation to achieve a win-win situation**



EFFECTIVE NEGOTIATION SKILLS IN ENGLISH

OVERVIEW:

- **What is negotiation?**
- **What are some of the approaches to negotiation?**
- **What are the skills needed in negotiation?**
- **What happens during a negotiation?**
- **How should negotiators behave during a negotiation?**



EFFECTIVE NEGOTIATION SKILLS IN ENGLISH

Negotiation – What is it?

It is a situation where:

- two or more different parties meet, discuss and reach a decision that benefit them.
- parties bargain and trade through give and take, they confer and exchange views to reach a compromising agreement.
- The final agreement satisfies various parties.
- Parties attempt to reach a win-win situation.
- It is **neither** a barking contest nor a shouting match



SUCCESSFUL NEGOTIATION

Successful negotiation is...

- When all parties achieve mutual agreement.....
- When all parties can achieve what they want with some give and take..
- ..

Pre-conditions of successful negotiation are..

- Clear objectives by each party
- Mutual respect/understanding of the other party's position.
- Good preparation and planning
- Etc....

APPROACHES TO NEGOTIATION

What is involved in a negotiation?

1. **COMPROMISE** - All parties agree to meet halfway but the most prepared, the most convincing will win the biggest share.

Examples of expressions:

“Let’s meet halfway.”

“Let’s split the difference and meet in the middle.”

2. **BARGAINING** - Offers are made based on conditions stated by all parties.

Example of a situation:

A group of students will be away on a field trip next week so they requests for the cancellation of the class for next week. The lecturer will cancel the class only if the students agree to extend today’s lesson to 2pm instead of 1pm

Examples of expressions:

“I will cancel next week’s class provided that you agree to extend today’s class to 2pm.”

“I will lessen the meeting hours, if the reports are submitted by next week.”

APPROACHES TO NEGOTIATION

What is involved in negotiation?

3. **COERCION** – One party forces the other party to agree with its terms. (This may happen if one party feels that it is indispensable). It works well if there is a majority or an ally.

Examples of expressions:

“Either you agree to the offer or I close the deal with someone else.”

“I’m afraid all four of us agree to moving out which leaves only you.”

4. **EMOTION** –A powerful approach that helps or destroys where emotions are used to intimidate or draw other’s sympathy. Therefore, emotions need to be used **CAREFULLY!**

5. **LOGICAL REASONING** – Strategy used by good and experienced negotiators to support position or undermine the other party’s position through the use of logic and facts to support and undermine another’s opinion.

Examples of expressions:

“Based on our study conducted on 100 families..... “

“The current price range on IPoD Touch with such specification in the market today is between RM1000 and RM1200...”

PHASES OF NEGOTIATION

FIVE Phases of Negotiation



1. Planning the negotiation



2. Beginning the negotiation



3. During the negotiation



4. Ending the negotiation



5. After the negotiation

PHASE 1 OF NEGOTIATION

Phase 1: Planning the Negotiation

Parties taking part in a negotiation will:

- **Research, prepare, read and gather relevant information related to the topic/ issue to be negotiated**
- **Clarify vital, crucial, vague questions**
- **Find out other party's background - business, culture, etc.**
- **Decide negotiation objectives, strategies and agenda**
- **Specify roles and responsibilities within the team**
- **Check and confirm date, time and venue**
- **Prepare and rehearse opening statement**

PHASE 2 OF NEGOTIATION

Phase 2: Beginning the Negotiation

Parties taking part in a negotiation will:

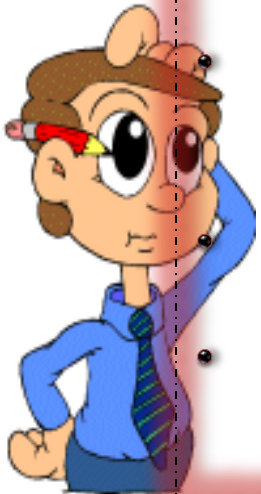
- **Create positive and conducive atmosphere**
- **Respect cultural and behavioural differences**
- **Establish a framework**
- **Stress common interest**
- **State position or stand**

PHASE 3 OF NEGOTIATION

Phase 3: During the Negotiation

Parties taking part in a negotiation will:

- Listen well and clarify the other party's objectives
- Check that the other party understands what the speaker/spokesman said
- Focus on areas of agreement
- Make constructive proposals



PHASE 4 OF NEGOTIATION

Phase 4: Ending the Negotiation

Parties taking part in a negotiation will:

- **Summarise and agree on the deal**
- **Clarify future responsibilities and actions**
- **End positively**

PHASE 5 OF NEGOTIATION

Phase 5: After the Negotiation

Parties taking part in a negotiation will:

- **Recognise successes of negotiation**
- **Learn from failure and improve strategies for future negotiation**
- **Build and extend relationship**



LANGUAGE OF NEGOTIATION

RESPECT is very important in a negotiation and it can be achieved through **GOOD CHOICE OF LANGUAGE**. See the examples below.

SITUATION	DO USE....	DON'T USE....
When making requests	Would like	Want
<p>X I want to hear you talk about that first point again.</p> <p>✓ I would like to hear you talk about that first point again.</p>		
When reminding people on what to do next	Should, could, might	
When introducing suggestions	I think, maybe, perhaps	
<p>X It's time to start the meeting now.</p> <p>✓ I think we should start the meeting now.</p>		
When making suggestions, use questions		
<p>X Go to the next point now.</p> <p>✓ So, could you go on to the next point now?</p>		

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Opening a Negotiation**

- Start the negotiation on a positive note by establishing a good rapport with the other parties:
 - ✦ Greet members of the team and welcome visitors
 - ✦ Start the negotiation with a round of introduction
 - On my right is Mr. Ben and on my left, Ms. June and she will be taking notes for today. I am Damien. We're from XYZ company
 - Allow me to introduce myself/my colleagues and I.
 - ✦ Make small talk to create a 'comfortable' environment
 - So, how was your journey?
 - Was it difficult to find your way?
 - Is this your first visit to...?

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Stating your position**
 - Getting started
 - ✦ *Perhaps we should begin.*
 - ✦ *I suggest we start by clarifying what is needed.*
 - ✦ *Shall we get down to business?*
 - ✦ *May I suggest we begin by outlining the current situation?*
 - Provide some background of your company/team (vision, mission, etc.).
 - State your focus/goal/purpose of negotiation.
 - Check if your listeners are still with you thus far

FORMS AND FUNCTION

Forms and Functions of a Negotiation



Right, perhaps we should begin. Allow me to briefly describe our company. We, XYZ, are a small but growing business dealing with sports equipment. Located in a middle-class housing area, our primary target group is the middle-income individuals and families. The increase in health awareness has drawn many people to our shop in search for sports equipment so basically, we would like to establish a long term deal to purchase sports equipment from your company. As this would be a long term contract, we would like to obtain a good price for the products though, good quality merchandise is also important to us. Do you have any questions so far?

FORMS AND FUNCTION

Forms and Functions of a Negotiation

- **Clarifying position**

- *Ask questions*
- *Paraphrase other's arguments*
- *Summarise positions constantly*
- *Listen carefully to:*
 - ✦ *Understand the other party's negotiating position*
 - ✦ *Develop arguments that respond to their needs*
 - ✦ *Show sympathy to their position*
 - ✦ *Signal respect/value to what others are saying*

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- *Confirm negotiating position*
 - *So, Mr. T, am I right by saying that for you, this is an opportunity to expand your business?*
~ Yes, that's right.
- *Asking for clarification*
 - *Could you tell us a bit more about this long term deal?* ~ Definitely. As our past business records show, our sales have been constantly increasing and we have never been in debt with any of the company's that we dealt with so we intend to propose a long term deal of 5 years.

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- *Asking general questions*
 - *Can I ask you a question? ~ Yes, certainly. How do you intend to expand your business?*
~ Yes, that's right.
 - *What about your company's policy regarding long term deals? ~*

- *Defining priorities*
 - *How important is the price to you? ~ It is our major priority.*
 - *What about variety of products? ~ It is something that we need to take into account.*

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- *Getting the facts right*
 - *Can you give us an idea of what type of sports equipment are you interested in procuring from us?*
~ We would like to purchase your line of badminton and squash racquets, shuttlecocks and squash balls as well as your line of sports attire.
 - *Approximately how much is your price reduction for all these items?* ~ Well, it depends on various factors. We'll need to take into consideration, for example, the number of orders and the quality of each individual product.

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Bargaining**
 - *Restating your position*
 - ~ *Allow me to clarify our basic position.*
 - *Setting conditions*
 - ✦ *We could offer you a lower price on condition that you increase your order.*
 - ✦ *We might be willing to reduce the price if you could increase your order*
 - ✦ *We can agree to as long as/provided that you lower the price.*

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Responding in the Bargaining Phase**
 - *Accepting with Condition*
 - ✦ *That's fine if you lower the price.*
 - ✦ *If you lower the price, then we have a deal.*
 - *Rejecting*
 - ✦ *I'm afraid that wouldn't meet our requirements on the price.*
 - *Lacking Authority*
 - ✦ *I'm afraid I don't have the authority to approve that.*
 - ✦ *If that's the case, I would have to get back to you on that.*
 - ✦ *I'll have to ask my colleagues about that suggestion.*

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Closing a Negotiation**

- *Closing*

- ✦ *Alright. Perhaps we should stop at this point.*
- ✦ *I think that covers just about everything for now.*

- *Summarising*

- ✦ *Can we just run over the points again?*
- ✦ *Let's go over what we have discussed today one more time.*

- *Checking and Confirming*

- ✦ *Does that cover our discussion?*
- ✦ *Do you agree with that?*

FORMS AND FUNCTION

Forms and Functions of a Negotiation



- **Closing a Negotiation**
 - *Arranging future meetings*
 - ✦ *Could we meet again next week?*
 - ✦ *Shall we meet say, 3 o'clock? Does that suit you?*

 - *Ending on a positive note*
 - ✦ *That was a very positive start. I hope it's the basis for a long-term relationship.*
 - ✦ *Thank you very much for your time. We're looking forward to your feedback.*

POSITIVE BEHAVIOURS IN A NEGOTIATION


Language Tips



- **Be welcoming**
 - *I'm / We're glad to meet you...*
 - *Hope your journey was comfortable...*
 - *Let me begin by welcoming you to...*
- **Be assertive**
 - *I / We want...*
 - *I / We would like to...*
 - *I'm afraid we have to discuss that now.*
- **Be certain**
 - *I / We (strongly) believe...*
 - *I am convinced that... / We are most certain that... / I'm sure we can...*
- **Be specific (but not rash)**
 - *"What is your opinion on the price?"* instead of *"What do you think?"*
- **Be sympathetic**
 - *I / We understand what your position...*
 - *That's a shame, as we were keen to reach the deal by today.*
- **Be a good sport**
 - *It's been a pleasure doing business with you...*

A SUCCESSFUL NEGOTIATOR

Profile of a Successful Negotiator

- Open-minded
 - Objective
 - Rationale
 - Generous and kind
 - Courageous
 - High self-esteem
 - Empathetic
 - Pragmatic
 - Quick in-action
- 
- Friendly
 - Good leader
 - Effective Communicator
 - Pro-active
 - Intuitive
 - Willing to accept failure and let go
 - Etc.

THE IMPORTANCE OF LISTENING IN A NEGOTIATION

Listening



- Listening is an important skill in negotiation.
- The Chinese characters that make up the word 'listen', tell us something significant about this skills

Ear



Eyes

Undivided
Attention

Heart

STYLES OF LISTENING

Listening



- Different listening styles:
 - Content-oriented
 - ✦ Interested in the quality of message that they hear
 - ✦ Seeks details and are good at analyzing an issue from several perspective; gives more credit to messages of experts and credible sources
 - ✦ Can appear over-critical or even hostile
 - People-oriented
 - ✦ Concerned with creating and maintaining positive relationships
 - ✦ In-tune with others' moods, less-judgemental, more understanding and supportive
 - ✦ May lose ability to assess quality of information if overly involved in the other person's feelings

STYLES OF LISTENING

Listening



- Different listening styles:
 - Action-oriented
 - ✦ Most concerned with the task at hand – the response required of the message
 - ✦ Appreciates clear, concise messages, no-nonsense approach
 - ✦ Tends to minimalise emotional issues and concerns
 - Time-oriented
 - ✦ Most concerned with efficiency
 - ✦ May put others off especially if there is an excessive focus on time

STYLES OF LISTENING

Listening



To listen actively:

- Listen for key ideas
- Take notes
- Ask questions
- Paraphrase



Reference

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