

# Basics of business negotiations



# **Topic 1. General characteristics of the negotiation process**

## **PLAN:**

- 1. The features, types of business communication.**
- 2. The definition of business negotiations.**
- 3. Structure of negotiations (main stages and tasks).**

# Features of business communication

- Certain official status of partners;
- Orientation towards establishing mutually beneficial contacts and supporting relations between representatives of organizations;
- Compliance with certain generally recognized rules;
- Predictability of business contacts: preliminary planning, definition of goals, content, possible outcome;

# The concept of business communication

Business communication is a specific form of contacts and interaction of people who represent not only themselves, but their organizations as well.

Business communication is a complex, multifaceted process of developing contacts between people in the official sphere.

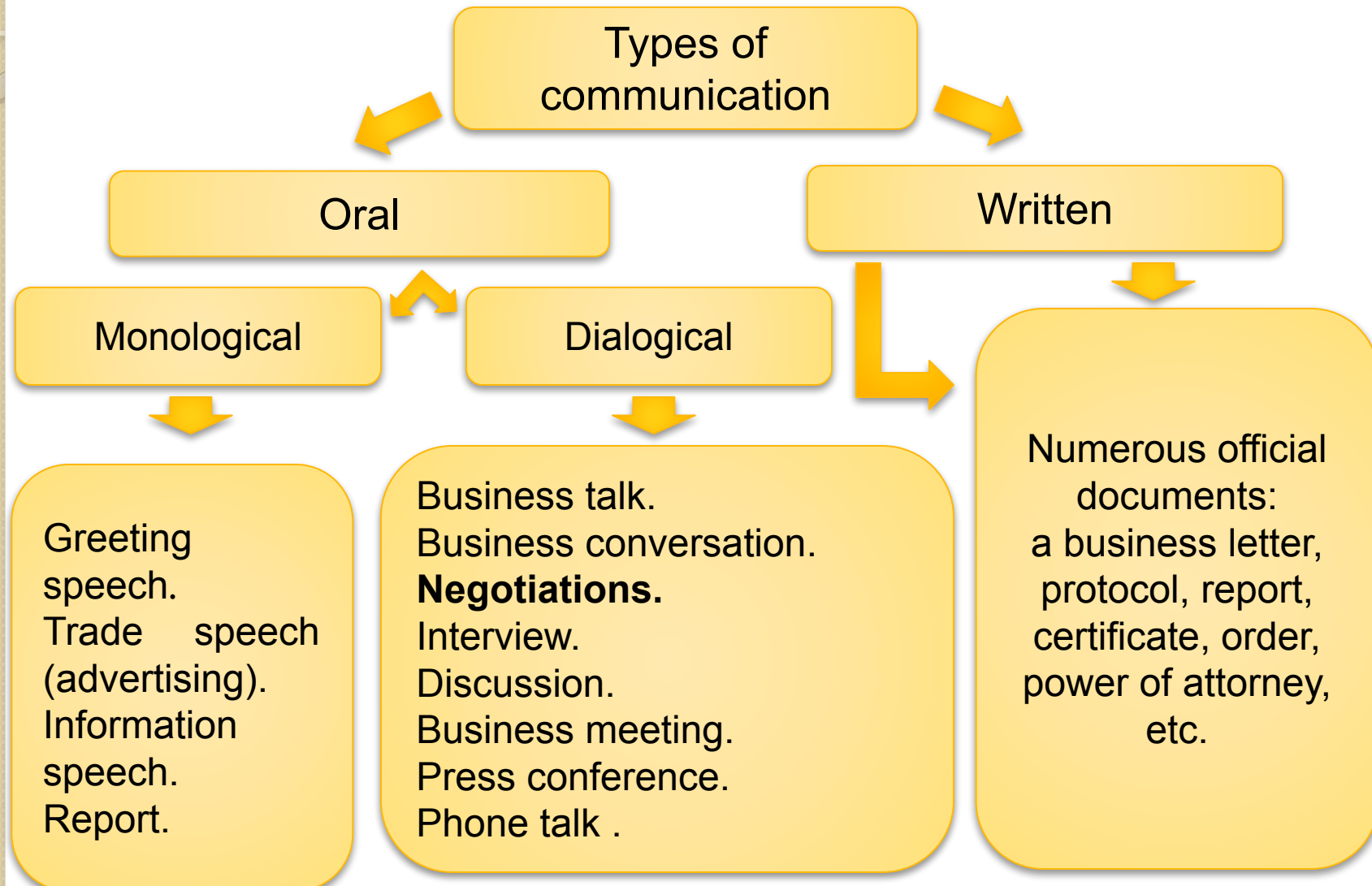
## Features of business communication

Constructiveness of the nature of relationships, their focus on solving certain issues;

Mutual consistency of decisions, agreement and further organization of partners' interaction;

The importance of each partner as a personality;

# Types of business communication



# The definition of negotiations

- "Negotiation is a discussion for the purpose of concluding an agreement between some people on any issue." (Monolingual dictionary)
- "Negotiation is a joint, two-or multi-party contact between the parties in order to make mutually acceptable decisions that are considered to be the best in this situation." (Tsyurupa M.)
- "Negotiation is a process where two or more individuals, groups with common and conflicting goals, express and discuss proposals for specific conditions to achieve possible agreement." (D. Geligel, J. Sklokum, R. Woodman)

## The structure of negotiations (option 1)

Stage I - Pre-communicative

Stage II- Communicative

Stage III - Postcommunicative

## Structure of negotiations (option 2)

Stage I - Preparation for negotiations

Stage II - Negotiation

Stage III - Resolution of the problem  
(completion of negotiations)

Stage IV - Analysis of the results of  
negotiations

# Stage I - Preparation for negotiations

1. Collection of information about the partner enterprise: the organizational structure, position and competence of representatives in the negotiations.
2. Drawing up a negotiation plan: setting the topic; the definition of the tasks of the negotiations in order to keep the initiative during the negotiation; choice of strategy and tactics of negotiations.
3. Operational preparation of negotiations: gathering of materials necessary for holding negotiations (for example, the analytical information, publications), the analysis of materials, preparation of the working plan of negotiations.



## Stage I - Preparation for negotiations

4. Editing of existing materials (clear presentation of the purpose of the talks, concise and clear presentation of proposals and conclusions).
5. Processing of the negotiation process (rehearsal of negotiation in the form of a dialogue with the interlocutor).

# Stage II – Conducting negotiations

## 1. Beginning of negotiations:

- establishing contacts with partners;
- creating a pleasant atmosphere for negotiations;
- attraction of attention;
- awakening of interest;
- "interception", if necessary, of initiative in the negotiation process.

## 2. Conveying of information:

- collection of special information on the problems, requirements and wishes of the partner and his organization;
- Identification of the motives and goals of the partner;
- conveying of planned information;
- formation of bases for own argumentation;
- analysis and verification of the partner's position etc.

## Stage II – Conducting negotiations

3. Argumentation. At this phase, a preliminary opinion is formed, a position on this issue is determined, which suits both sides.

### ARGUMENTATION

#### EVIDENCIAL

the need to verify their own information, the correctness of their own conclusions, whether there is any contradiction in their own argumentation, bringing relevant examples and comparisons.

#### CONTERARGUMENTATION

verification of the facts or proposals of the partner, the definition of controversial beliefs, whether a bad example (comparison) is given; a partner did not make a false conclusion; or the partner did not give an incorrect assessment, etc.

## Stage II – Conducting negotiations

### **4. Rebuttal of the partner's arguments:**

- delineation of individual objections on subjects, objects, places, time and consequences;
- an acceptable explanation of the expressed or unspoken objections, comments, doubts;
- neutralization of the partner's comments.

### **5. Decision-making. Tasks:**

- achieving a basic or alternative goal;
- ensuring a favorable atmosphere at the end of the negotiations;
- encouraging the partner to implement the planned actions;
- preparing summaries of negotiations;
- signing an agreement on the results of negotiations.

## Stage III - Solution of the problem (completion of negotiations)

If the course of the talks was positive, then at the final stage it is necessary to **summarize**, briefly repeat the main provisions, **give a characteristic of those positive moments** on which the parties agreed. It is advisable to discuss the prospects for new meetings.

In case of a negative outcome of the negotiations, it is necessary to maintain a **subjective contact** with the partner behind the negotiations. In this case, attention is focused not on the subject of negotiations, but **on personal aspects**, allowing to keep business contacts in the future.

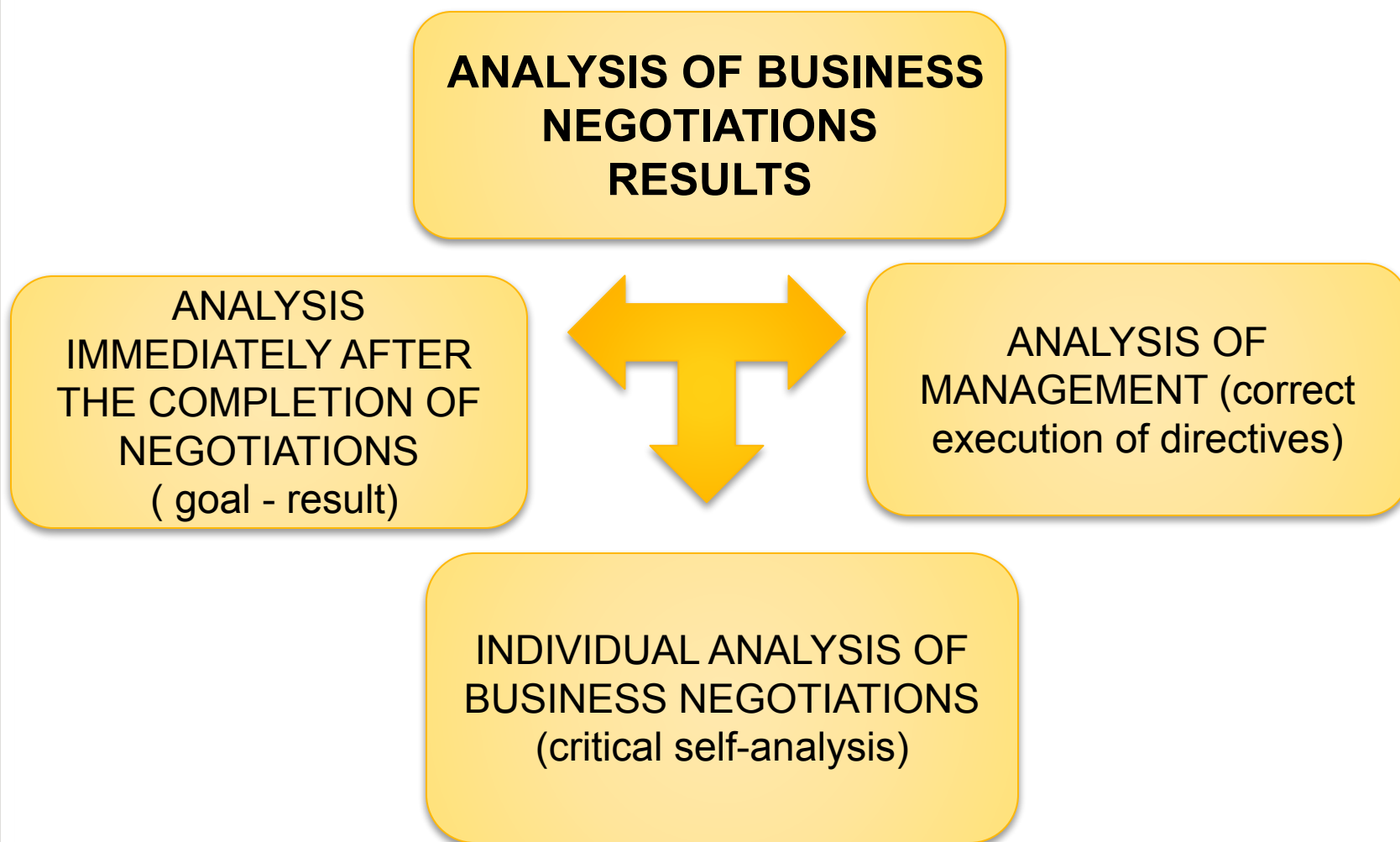
## Stage IV - Analysis of the results of negotiations

Negotiations can be considered complete if their results are carefully and responsibly analyzed, the necessary measures are taken to implement them, and appropriate conclusions are drawn for the preparation of the following negotiations.

### **The objectives of analyzing the outcome of the negotiations:**

- comparison of the objectives of the negotiations with their results;
- definition of measures and actions resulting from the results of negotiations;
- business, personal and organizational conclusions for future negotiations.

## Stage IV - Analysis of the results of negotiations



## Stage IV - Analysis of the results of negotiations

In the process of analysis, you can get answers to the following questions:

- Have the interests and motives of the negotiating partner been properly identified?
- Did the preparation for the negotiations correspond to the real conditions, the current situation and the requirements?
- How correct are the arguments or proposals for a compromise?
- How to increase the effectiveness of argumentation in a meaningful and methodical way?
- What exactly determined the outcome of the negotiations?
- How to remove negative nuances in the negotiation procedure in the future?
- Who should do what to improve the efficiency of the negotiations?

# Questions and tasks

1. What is business communication? What are its features and types?
2. The place of business negotiations in business communication.
3. Stages of conducting business negotiations, their components.
4. The importance of analyzing the outcome of negotiations.