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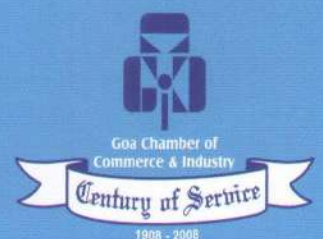


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11 Golden Rules for Negotiations



Article

11 Golden rules for negotiation

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We keep making deals in our personal and professional life. On the professional front, there are a wide variety. With employees- 'perform well, and you will get a good incentive'. With suppliers- 'if you give me good quality, I'll buy more from you'. Deals can be both implicit (mutually understood *but* not articulated objectively) or explicit. Negotiating deals can be frequently painful. Whether its closing the deal for a large order of your product. Or buying another company. This article looks at some golden rules while negotiating which make the process less painful.

But when you do, they often are the key enablers of a successful negotiation. The best way to find out is to go ahead and ask the other party.

Rule #4: Step into the counterparty's shoes

Negotiations work best when they're win-win for both parties. Don't focus on only what you want from the negotiation. All through the negotiation, look for ways to make the deal sweeter for the other party. Not only will the negotiation go smoother, but it will set the stage for a long-term relationship. Remember, the close of negotiation is the start of a relationship. Its important to start on a positive note.

Rule #5: Don't vacillate

Nobody likes negotiating with a person who goes back and forth. Be clear on what you want. And try to stay consistent. That doesn't mean you can't change your mind. Only that you shouldn't change your mind about everything. And when you do, be fair to the other party and explain your reasons for doing so.

Rule #6: Don't be desperate (or at least don't show it)

Opportunities come and go. So, don't bend over backwards to accommodate every request of the other party. That makes for a poor start to a relationship. If you didn't have anything of value they wouldn't be negotiating with you.

Rule #7: Give and demand respect

Be respectful in your interactions. And don't accept disrespect from the other party. Both parties benefit from a deal. So, nobody's doing a favour by getting into a deal. However, don't go overboard on demanding respect! (See Rule #8)



Rule # 1: Love it!

The word 'negotiate' derives from the Latin 'negotius' means to 'carry on business'. Treat negotiation just like that. Something which is a necessary part of business. Not something which is distasteful. When you enter with dread, you tend to want to hurry things up. Instead, savour it, like a nice cup of coffee (or glass of your favourite tippel!)

Rule # 2: Be prepared

As with everything, be prepared before starting negotiations. That includes knowing what constitutes 'victory' for you. And which elements are critical for you. Also, research your counterparty and where they see value.

Rule # 3: Define intangibles

Very often intangibles are not that valuable to you. But matter significantly to the other party. For e.g. flexibility in working hours, symbolic titles (chairman, director). These are difficult to find.





Rule #8: Send your ego on vacation!

Its easy for a negotiation to get stuck on trivial issues. With both parties not willing to concede since it will hurt their egos. When negotiations start becoming personal, other distractions also come in. For e.g. one is more likely to get angry if the deal becomes a personal goal. And anger is a sure-fire way of scuttling a win-win deal.

Rule #9: Speak your mind

Something you're not happy about? Tell the other party about it. Don't stew over it and expect the other person to understand. What's important to you, isn't necessarily important to the other party.

Rule #10: Start with the easier elements

It's good to start with a few wins. That means agreeing on the elements which are easier to get mutual agreement on. And then moving to the more contentious issues. All negotiations have some common ground for both parties. Make the best use of it.



"Major breakthrough! We've all agreed on pizza for lunch."

Rule # 11: Put things in writing

Negotiate face-to-face. And then write down the common understanding after each phase of oral negotiation. Often, what's agreed orally looks very different when put down on paper. Don't ever complete an entire negotiation orally and at the end put it down on paper. That will lead to a reopening of the entire negotiation.



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