

THE VENUE OF NEGOTIATION

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Abstract. *The advantages that can be created by one of the teams in terms of a negotiation, depend on the leader and how he knows to manage the information and data regarding the company, that can create partial pre-negotiation advantages or even during negotiations. The influence of the partner, giving of gifts, how to arrange the space: closed, open; time period, ensemble (office, oval table, round table), orientation (face towards the light, facing the shadow), the influence of the partners and of the information collected dependent of the type of the negotiation, the possibility of a direct or preconceived opinion being formed before negotiation, market competition, character information when the demand occurs and before the transaction (veiled information, internal information, intelligence, behavior rules, negotiating guide, communication during the negotiation, time given, communication link through signs with the team, through gestures, protecting documents, the motive for purchasing of long-term, short-term products, product quality, market competition. When we talk about the venue, we could write about the pre-negotiation, negotiation and post-negotiation ensemble. All are related to information, offers, information for internal use, secrets, and rules of behavior. We will try to clarify some of the data before the start of a negotiation. As provided information, we could illustrate a few: brochures, catalogs, press releases, news about business relationships, public laws and regulations, partners, statistical data, and finally, the tender book. Regarding the veiled information that each firm uses to raise the bar or so that the population has a good impression about the company, added value or insolvency we can include: phone books, encyclopedias, pricing tables, data published in newspapers, magazines, the press, radio and TV news, listed companies, research papers, leaflets, roundtables, exporters associations, fairs and exhibitions, awards and participation, company business data (which can be published,) manufacturing processes, sponsorships, export / import intentions, investments, etc. The information needed for internal use: data on phenomena that can influence the market, confidential information, legal fees paid, and commission agents used, secret information we will detail later, market research, surveys based on questionnaires and discussions with business partners and other partners who have negotiated with this company. Regarding the secret information, they can be collected directly, indirectly or through information leaks, blackmail. We can have: methods of market penetration, distribution networks used, organization schemes, contracts, bonuses, illicit commissions, marketing strategies, stories of former employees, threatening to create problems for the market, offering gifts or services; all this information support the negotiating team and will be used as needed for the negotiation to be in favor of the company. In conclusion, the information needs to be used carefully, by whom, each team member needs to know certain rules of behavior in opening of the discussions, the leader has to know the art of discussion using the information received, the art of dissimulation, how to communicate and it is good to have the fact that we can talk on average of 125 words per minute but can listen to on average 500 words per minute. To listen is to merge two mental activities: to hear and understand in one.*

Key words: room, space, facilities, negotiation

INTRODUCTION

The leader of the team together with the members, based upon the information obtained in favor of the transaction, is trying to solve the problem of the location adequate for negotiation, hour, outside and inside temperature, inclusively the arrangement of the furniture, every detail that could favorably influence a good negotiation.

MATERIAL AND METHODS

A. The advantages of the negotiations taking place at the company's headquarters in Romania are the following:

a. the possibility of forming a larger negotiation team, as well as of co-opting other experts, if needed;

b. decisions are made more quickly and it is also possible to bring certain modifications to the agenda (concerning technical points, delivery dates, etc.)

c. the negotiation room can be adequately prepared, using samples, pictures, graphs, statistics, etc.

d. the partner may be influenced by performing certain demonstrations on the field: visiting factories, exhibitions, etc.

e. from a psychological point of view, the Romanian negotiators feel safer and more relaxed when 'at home', in a familiar environment.

B. The advantages of the negotiations taking place at the partner's company headquarters are the following:

a. one can form a direct opinion about the partner's situation;

b. one can obtain information about similar products and about the competition directly from the market;

c. one can get acquainted with certain customs, regulations, governmental authorities, etc. directly from the source

d. one can become aware of the prices of the competition, of the distribution means, of the marketing strategies used, of the paid commissions, etc.

e. one can interrupt the talks at certain 'delicate' moments on the pretext that team does not have a proxy to negotiate that particular aspect, thus having to wait for an expert to arrive. However, this situation might present a drawback in that the partner knows that you, as an exporter, are interested in selling the product, which is in fact the reason of his/her coming 'on the partner's ground'.

C. Negotiations can also take place on neutral ground (at international fairs and exhibitions, etc.), in which case the two partners have to deal with similar problems.

Types of information and ways of obtaining it

Given information:

- leaflets, catalogues
- press releases
- news concerning business relationships
- printed laws and regulations
- commercial, prospectuses
- advertising
- potential partners
- published statistical data
- Implicit information
- phone directories
- encyclopedias, studies
- published data
- price lists, data published in newspapers, magazines and the specialized press
- TV/radio news and reports
- stock exchange prices, quotations and rates

These kinds of information can be obtained through:

- indoor documentation and research
- asking for prospectuses and catalogues from the source
- inquiring the partners on the market

- buying published work on the topic
- information exchange (round tables, clubs, exporters' associations, fairs and expositions)

Implicit information:

- data regarding business figures
- manufacturing processes in use
- future intentions of exporting, importing, investments, etc.
- prices for different delivery levels

These kinds of information can be obtained through:

- combining the acquired different pieces of information
- examining the products of the competitions under different aspects (highlighting their strong points and their weak points)

Information for internal use:

- data on certain phenomena that could influence the market
- confidential information (e.g. commissions paid; agents and the staff involved)

These kinds of information can be obtained through:

- opinion inquiries
- market inquiries
- investigations based on questionnaires
- talks with business partners

Classified information:

- methods of coming onto the market
- distribution networks in use
- organizational patterns
- contracts, bonuses, commercial policies, marketing strategies

These kinds of information can be obtained through:

- accounts of former employees
- threats of causing problems on the market
- offering counter services or gifts

Rules of behavior

The negotiator should take into account and observe the following rules:

1. cultivating one's will - in order to keep calm and not to get angry
2. maintaining the respect for the partner without under or over estimating him/her
3. none accusation or reproach should be left without being given the proper diplomatic answer
4. under no circumstances should s/he allow someone to offend his/hers or his/her partner's dignity
5. cultivating one's will to listen patiently and calmly to the partner's arguments
6. the expression of joy regarding the deal should not turn into enthusiasm
7. official proceedings should be kept solemn, without degenerating and thus raising problems
8. steady employment should depend on reconsidering the employee's achievements in the context of the general results of the negotiation
9. never should the team discuss in contradiction
10. no team member is allowed to break in on a conversation spontaneously, but in a previously organized way, with the consent of the team leader

11. do not let the opposing team make mistakes because of ignorance, rush or other momentary unfavorable circumstances

12. never start negotiations with preconceived ideas

13. the partner will not be interrupted while speaking, not even when his/her arguments are false; meaningful silence will make him/her understand his/her mistakes, which s/he will probably regret and reconsider

14. negotiators should not be interrupted bluntly, if possible, but rather postponed

Initiating discussions

Guidelines for the first negotiation session:

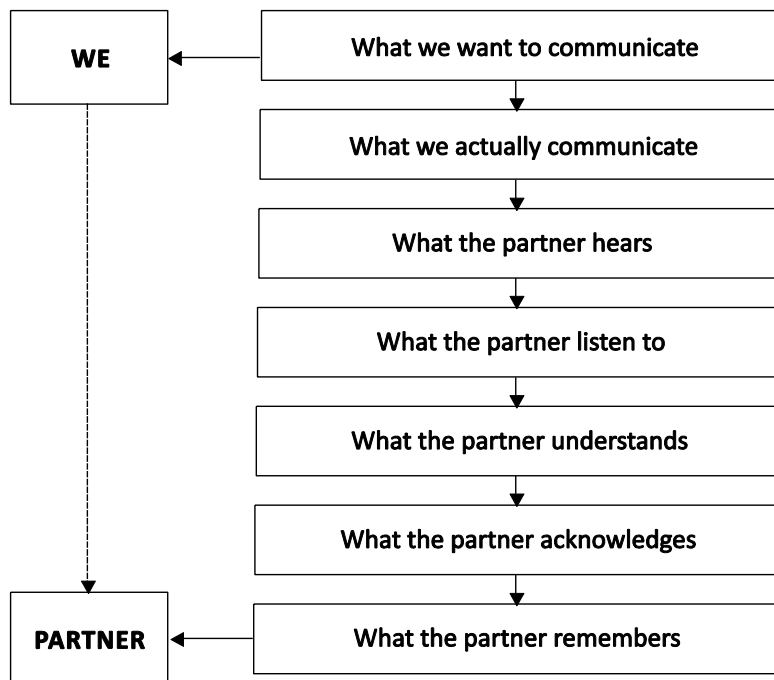
- introducing the team members and stating the aim of the visits;
- thanking the host for his/her kindness to accept this meeting in spite of a busy schedule;
- making some positive comments (on the layout of the office, of the lobby, etc.); casual talk (about the weather, the traffic, sports, etc.);
- mentioning the possible local events (fairs, symposiums, etc. reported in newspapers, on
 - the radio or on TV);
 - asking the partner for some piece of advice (about town sightseeing, theatres, attractive spots, etc.);
 - referring to recent correspondence regarding the purpose of the visit;
 - creating a relaxed atmosphere (before choosing to tell a joke one should first see if it keeps the same meaning in the foreign language and make sure that it does not hint at the partner in any way);
 - trying to stimulate the partner to give information about his/her difficulties, assuring him/her of our support, trust, approval and good intentions;
 - the aim of the meeting is to figure out what the partner really wants or needs, in order to adopt the most suitable strategies, methods and tactics during the future negotiation sessions.

If you are the one presiding the meeting, you should take into account the following aspects:

- a. give all the participants 3 or 4 minutes to take their seats
- b. if you are the host, welcome the guest team
- c. invite the leader of the guest team to take the floor first
- d. the letter should not be interrupted while speaking, because that might be interpreted as an attempt to minimize the value of his/her speech
- e. listen carefully and take notice of the opponent team's reactions
- f. try, with the utmost care, to figure out which are the most difficult problems that need solving; in your mind, check whether you face them as well (you should have in view some previously prepared variants)
- g. write down in your notebook the keywords and the ideas as they come up in a certain context and take into account the fact that usually speeches are rather lengthy at this point
- h. before giving any answer, it is a good moment to test whether all the opponent team members share the same opinion; thus you can ask in a low voice: "Are there other opinions or problems that you would like to raise?"
- i. note all the answers, as well as the names of the persons who gave them; try to round off your point of view which has been previously prepared, and bear in mind the following things:

- only focus on a few points at the beginning
 - it is advisable to repeat the same idea under different forms rather than tackle several issues
 - by asking a question you run the risk of receiving a clear cut answer; therefore you'd rather avoid asking it so as not to lose the initiative
 - try to solve the problems that meet with the consent of the opponent team; that will make negotiations progress and you will gain time and spare a headache
 - establish the issues to be agreed upon and work them out; that will make negotiations seem to be on the right track
 - do not insist much on a point; in case the positions of the two teams are remote, suggest approaching another point, leaving the former for later discussions
 - make use of clear language, easy to understand by everyone
 - address your answers to the leader of the opponent team
 - think twice before turning down a proposition, as it may constitute a step forward
 - lung-power and exaggerated nervousness are not a substitute for good argumentation
 - ask yourself whether you acted the same concerning the concessions made by the opponent team
 - decide whether you will take the floor alone or whether there will also be another speaker at the opening speech, as well as what you will say
 - keep in mind that this is just the first negotiation session, not the last one
 - j. the transition from the initial stage of the negotiations to the second one is usually not very distant; one way of becoming aware of
 - this transitory stage is by noticing certain alterations in tone and behavior of the two teams:
 - speeches become shorter and less former
 - phrase-building and vocabulary sound more natural
 - the number of speakers increases and their positions become clearer
 - the atmosphere becomes more relaxed, people make themselves more comfortable and start smoking
 - speeches and exchanging arguments get more personal and some participants try to put aside their official role
 - harsh speeches are out of phrase and agreement can be noticed between the two parties although neither admits making concessions
 - this is the right time to take one or several breaks, at the demand of one party; these breaks are meant to:
 - allow the other team to analyze a new offer or a new piece of information
 - allow team members to confer with each other and to report certain facts to those not present in the room
 - settle down the spirits
 - prevent or ease physical or mental tiredness
- Bear in mind that asking for a break is not a sign of weakness; if used wisely, breaks can be considered as the attribute of excellent negotiations.
- Communication during negotiations
- Research in this field shows that partners usually remember only about one third of the points made during commercial negotiations.

Moreover, it is good to keep in mind that one can utter an average of 125 words per minute when communicating, while the ear can perceive an average of 500 words per minute. This emphasizes the fact that people dispose of more time to listen. Listening is actually a combination of two mental activities: hearing, on the one hand and understanding, on the other.



Means of communication of the negotiation team

The most important aspects concerning the means of communication between the negotiation team - sent on a mission abroad - and the firm is cutting them to a minimum. The English saying "No news - good news" also holds true for negotiations, particularly for reports concerning the development of the talks. In extreme situations one may resort to code language, so as to hinder interpretation both by the authorities and by the competitors. The reasons underlying the use of a code in communication are the following:

- the channels of communication are not safe enough
- communication implies a delay regarding the competitor, who otherwise might make a faster decision.

However detailed the report may be, it is difficult for those at home to form a faithful

- image of the problems and the atmosphere the negotiation team has to cope with.

According to certain points of view, phone calls are the most dangerous. Consider the following facts:

- no proof can support the agreement
- the one who calls always holds the initiative
- partial understanding or misunderstanding of the facts
- the cost of the phone call may be high sometimes

Protection against the risks raised by phone calls can be acquired:

- through listening without replying, the answer to be given only later

- by writing down the information, the confirmation to be sent by post or by telegraph

Protection of information and documents

On arriving in a foreign country, the negotiator should know that s/he must not leave classified documents in the hotel room or in the luggage, as his/her opponent may take advantage of the former's carelessness or negligence. That is why the negotiator had better:

- not talk business in places where the conversation can be overheard, e.g. hotel rooms, halls, cars driven by professional drivers;
- not take for granted that the others can only understand their own language;
- not leave any kind of documents in the negotiation room when he goes to eat, as they can be easily copied or photographed in his/her absence;
- not appeal to the competitor for copying certain documents, only if they are to be given to him/her anyway;
- not leave figures and documents at sight during negotiations; there are many people who are used to reading documents upside-down;
- be aware of the fact that a copy of the fax sent to his/her country could be sold to the competition;
- not have absolute trust in the staff working for the dealer or for the person getting the commission;
- make cautious use of the information s/he obtains from several sources, as it may only be a bait in order to mislead the negotiator.

CONCLUSIONS

Place or adequate facility, commonly agreed upon by the two teams that could influence positively or negatively one of the teams, provided with all necessary materials in order to facilitate the best carrying on.

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