About the Tutorial

A negotiation is a result-oriented conversation between two or more individuals for reaching at a mutually-benefiting conclusion. This point may benefit all of the participating entities, or just a single party, some of them, or all of them.

Negotiation Skills are focused on resolving differences for the benefit of an individual or a group, or to satisfy various interests. In this tutorial, we will discuss the skills that you need to hone to pull through successful business deals.

Audience

These Skills are mostly necessary for those individuals, who work with the sales and marketing portfolio. Each customer would like to have things his/her own way. Still, with adequate negotiation skills, you can crack a deal that is mutually advantageous.

Prerequisites

Before going through this tutorial, you are expected to have some basic idea about corporate hierarchy, running of operations within an organization and the "Rewards & Incentives" structures of companies.

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15. CONTROLLING YOUR EMOTIONS

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When people hear the word **Negotiation**, they picture board meetings, lawsuits and favourable deal-makers sipping tea in a conference room. They are pictured being dressed in their expensive suits and handing dossiers to each other.

In reality, we negotiate all the time. If we have to sight a negotiation, all you have to do is lift the window-pane and look out. For instance, have you ever decided where to dine with friends, or decided upon a leave and talked it out with your supervisor, or argued with your senior for a hike? These are all some common examples in our daily routine.

**The Three Stages of a Negotiation**

There are many basic examples of negotiating in our day-to-day lives happening right before our eyes. Deciding to wash clothes on a particular day, or postpone the plan for a later date too is a negotiation with self. A typical negotiation follows the three steps given below:

- Exchange of Information
- Bargaining
- Closing the deal

In general, there are two **types of negotiations**:

- Integrative Negotiations
- Distributive Negotiations

Let us get acquainted with both these core negotiation approaches.

**Integrative Negotiations**

These are built on cooperation. Both the parties think that they can benefit something without any significant investment. The prominent approach in these negotiations is **problem solving**.

This approach allows each party to consider low-priority problems, in return for the other party to consider high priority problems. It is important to have trust and cooperation between the two parties to achieve a successful integrative negotiation.

**Distributive Negotiations**

These negotiations involve a **fixed total**. Each party desires to gain as much as possible. A perfect example would be bargaining over the cost of a cloth with a cloth storekeeper.

In these type of negotiations, the parties do not intend to form a relationship and the information is kept confidential. Both the parties try to acquire information from the other party.