



## NEGOTIATION AND SUPPLIERS SELECTION COURSE

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### LESSON NO 1 – Negotiation Process

Lesson one negotiation process. We start with you. Very interesting journey into negotiation art and negotiation process. It looks like very simple negotiations. We do negotiation every day, but at the same time, to be professional in negotiation and to be successful in negotiation, you need to have knowledge first of all, then you need to train the skills. It is very important. I think that skills in negotiation almost the same like the skills of the pilot when you flying in the airplane. And it proves that sometimes the cost of negotiation, the cost of your decision is very expensive. And you need to be very good trained, very good prepared. And you should know how to manage and to lead this process. So that is why let's start to look, what is this negotiation? What is the process, which stages it consists? And further, I will share with you my knowledge and some tips how to make it more successful. Look at this picture, please. Here, there are four stages, four phases of negotiation, some books, some knowledge divided into more stages. But for pure understanding to be very clear in this point, we divided it into four stages. The first stage is, which is very very important. And I will tell you why it is so important. It is preparation and planning. As I mentioned in previous times, as more you spend time for preparations, for planning, for analysis, as better results you have in the end. And it is the same for negotiation. We need to invest time, invest our resources in this process. After preparation, after the planning, you start to exchange information with counterparts with another party in negotiation process. And it could take time because you need some clarification, you need some additional information. You need to consult with your team, et cetera, et cetera. So, don't hurry up in this stage, just spend another time to have enough information and to be sure, that you are ready for the next stage. The next stage is bargaining, or sometimes my colleagues call it trade off. This is very important part. So, when you have all information in place, when you have a plan, when you prepared very well, you be successful during bargaining. The chance to be successful during bargaining is very high if you have all information and all team prepared for this meeting. Sometimes bargaining can be one event action, but very often it is not one event action. It can be two, three and more times events. You manage this process for so many stages, so many cases as you need. So, if you need to have a pause or to have a break, you will take it and then continue bargaining process. This part of the negotiation process has a name like meat and potatoes or heart of the negotiations. And it is true because you cannot do negotiations without bargaining, without changing the information, without changing questions, issues, interest etc. Without communication with your counterpart. Of course, modern technology and lockdowns show us that we can do it both ways online or offline and if you are professional in negotiation skills you can do it online as well very successfully but you need to have these tools and you need to understand how this process organized and of course be prepared for these negotiations. I do a lot of negotiations online they are very successful but I spent so many much time for preparation and recommend to do it for you. And of course, closing. Closing negotiations, closing the deal. This part is very important and some my colleagues some participants of my trainings they switch it off so don't spend much time for summarizing to spend reading the details putting everything on the paper and fix all agreements and all data in the contract for example or in the state of agreement and please don't switch it, don't lose this part of negotiations because it is very important and sometimes it happened when I practice negotiation cases on my trainings and

in the end of the cases I ask all participants please tell me what do you agree what do you fix and scenario in different groups different so it shows that they don't close in proper way, they don't fix their deal, their agreements and in future if it will be a real situation in future they can have some issues and some problems with miscommunications. So, four steps very important steps please look at this and analyze which steps you're going through alone with your groups which steps and how you prepare these steps and I will tell you in next lessons how to be prepared for each of these steps and how to be successful in negotiation process. Stay with us and we continue negotiation process.

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