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- 1 Explain the Negotiation Process in detail.
- 2 How do perception and cognition influence negotiation?
- 3 Explain types of conflict and conflict resolution strategies (Thomas–Kilmann Model).
  
- 4 Explain Distributive and Integrative Negotiation with examples. ★★★
- 5 Explain barriers to agreement and ways to overcome them.
- 6 Explain table tactics used in negotiation.
  
- 7 Negotiating as an organisational capability.
- 8 Skills of an effective negotiator.
- 9 Ethics in negotiation and cultural differences.

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## 📌 UNIT 1 – Negotiation and Types of Negotiations

### 🔥 MOST IMPORTANT QUESTIONS (10)

- 1 Explain the concept and meaning of negotiation.
- 2 Explain key negotiation concepts such as BATNA, ZOPA, interests and positions.
- 3 Explain the negotiation process in detail. ★★★
- 4 How do perception and cognition influence negotiation? ★★★
- 5 Explain the role of communication in negotiation.
- 6 Explain types of conflict in negotiation.
- 7 Explain conflict resolution strategies.
- 8 Explain the Thomas–Kilmann Model of conflict management. ★★
- 9 Explain Distributive Negotiation with suitable examples. ★★★
- 10 Explain Integrative Negotiation with suitable examples. ★★★

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## 📌 UNIT 2 – Negotiation Skills

### 🔥 MOST IMPORTANT QUESTIONS (10)

- 1 Differentiate between Distributive and Integrative Negotiation. ★★★
- 2 Explain barriers to agreement in negotiation. ★★★
- 3 Explain ways to overcome barriers to agreement.
- 4 Explain preparation for a deal in negotiation.
- 5 Explain table tactics used in negotiation. ★★
- 6 Explain mental errors in reaching an agreement.
- 7 Explain negotiating as an organisational capability. ★★★
- 8 Explain the skills of an effective negotiator. ★★★

- 9 Explain ethics in negotiation. ★★
- 10 Explain cultural differences in negotiation styles. ★★

## 1 Explain the Negotiation Process in detail

### Meaning of Negotiation

Negotiation is a process in which two or more parties with differing interests communicate and bargain to reach a mutually acceptable agreement.

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### Steps in the Negotiation Process

#### 1. Preparation and Planning

- This is the most important stage
- Parties identify:
  - Objectives
  - Interests
  - BATNA
  - Reservation point
- Information about the other party is collected

*Example:*

Before a salary negotiation, an employee studies market salary levels.

#### 2. Relationship Building

- Parties establish trust and cooperation
- Friendly environment reduces conflict
- Helps in long-term relationship building

#### 3. Exchange of Information

- Each party explains its needs and expectations
- Clarification of issues takes place
- Active listening is essential

#### **4. Bargaining and Problem Solving**

- Offers and counter-offers are exchanged
- Concessions are made
- Parties try to reach common ground

*Example:*

Buyer negotiates price while seller adjusts quantity or delivery terms.

#### **5. Closing and Agreement**

- Final agreement is reached
- Terms and conditions are finalized
- Agreement may be written or oral

#### **6. Implementation and Follow-up**

- Agreement is executed
- Performance is monitored
- Feedback is taken for future negotiations

### **Conclusion**

A systematic negotiation process ensures clarity, reduces conflicts and results in mutually beneficial outcomes.

## 2 How do perception and cognition influence negotiation?

### Perception in Negotiation

Perception refers to how individuals interpret and understand information during negotiation.

#### Factors Affecting Perception

- Stereotyping
- Selective perception
- Framing of information
- Attribution errors

*Impact:*

Wrong perception leads to misunderstanding and poor decisions.

### Cognition in Negotiation

Cognition refers to mental processes such as thinking, reasoning and decision-making.

#### Cognitive Aspects

- Cognitive biases
- Overconfidence
- Anchoring effect
- Confirmation bias

### Influence on Negotiation

- Affects judgement and strategy selection
- Influences trust and cooperation
- Impacts problem-solving ability

### Conclusion

Effective negotiators control perception and cognition to avoid bias and improve negotiation outcomes.

**3 Explain types of conflict and conflict resolution strategies (Thomas–Kilmann Model)**

## Types of Conflict

1. Intrapersonal conflict
2. Interpersonal conflict
3. Intragroup conflict
4. Intergroup conflict

## Thomas–Kilmann Conflict Resolution Model

Style	Description
Competing	High assertiveness, low cooperation
Collaborating	High assertiveness and cooperation
Compromising	Moderate assertiveness and cooperation
Avoiding	Low assertiveness and cooperation
Accommodating	Low assertiveness, high cooperation

## Application

- Collaborating is best for long-term relationships
- Competing is useful in emergencies

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## Conclusion

Choosing the right conflict strategy improves negotiation effectiveness.

## 4 Explain Distributive and Integrative Negotiation with examples ★★★

### Distributive Negotiation

- Fixed amount of resources
- Win–lose approach
- Focus on positions

*Example:*

Bargaining over price of a product.

### Integrative Negotiation

- Focus on interests
- Value creation
- Win–win approach

*Example:*

Employer offers flexible working hours instead of higher salary.

### Difference

Basis	Distributive	Integrative
Outcome	Win–Lose	Win–Win
Relationship	Short-term	Long-term

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### Conclusion

Integrative negotiation leads to sustainable and ethical agreements.

## 5 Explain barriers to agreement and ways to overcome them

### Barriers to Agreement

- Poor communication
- Lack of trust
- Emotional reactions
- Cultural differences
- Zero-sum mindset
- Power imbalance

### Ways to Overcome Barriers

- Effective communication
- Focus on interests, not positions
- Emotional control
- Cultural awareness
- Use of mediator

### Conclusion

Removing barriers increases the chances of successful negotiation.

## 6 Explain table tactics used in negotiation

### Common Table Tactics

- Anchoring
- Silence
- Flinching
- Nibbling
- Good cop–bad cop
- Limited authority
- Splitting the difference

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### Conclusion

Table tactics should be used ethically to maintain trust and relationships.

## 7 Negotiating as an organisational capability

Negotiation is a strategic capability of organisations.

### Key Elements

- Shared negotiation framework
- Training programs
- Deal analytics
- Governance structure
- Cross-functional negotiation teams

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### Conclusion

Strong negotiation capability improves organisational performance.

## 8 Skills of an effective negotiator

### Important Skills

- Communication
- Active listening
- Emotional intelligence
- Analytical thinking
- Problem-solving
- Ethical behaviour

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### Conclusion

Effective negotiators balance assertiveness and cooperation.

## 9 Ethics in negotiation and cultural differences

### Ethics in Negotiation

- Honesty
- Transparency
- Fairness
- Respect

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### Cultural Differences

- Communication style
- Time orientation
- Power distance

- Individualism vs collectivism

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## **Conclusion**

Ethical and culturally sensitive negotiation ensures long-term success.