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12. Business negotiation and presentation

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Table of Content

CHAPTER 1

About Business Communication in General

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„You cannot not communicate”.

This statement is quite often misunderstood by many of us. We may be fussy about the grammar of this sentence and that is at the cost of the its spirit. It, in fact, this statement let us know that we cannot remain without commutation even if we feel as we have not communicated anything but still we have commutated everything. If you are like the majority of us, you spend more time in communicating than doing anything else. Probably you spend a hefty part of each day in one-to-one speaking, writing and

Think about communication in your daily life. When you make a phone call, send a text message, or like a post on Facebook, what is the purpose of that activity? Have you ever felt confused by what someone is telling you or argued over a misunderstood email? The underlying issue may very well be a communication deficiency.

There are many current models and theories that explain, plan, and predict communication processes and their successes or failures. In the workplace, we might be more concerned about practical knowledge and skills than theory. However, good practice is built on a solid foundation of understanding and skill.

listening. When you are not talking or listening, you are presumably communicating in supplementary ways like – understanding, lettering, gesturing, and drawing. Or perhaps, you are just taking in information by seeing, feeling, or smelling. All of these activities are forms of communication and certainly you do them right through most of your time.

Obviously, such activity, which we are engrossed in so much, has to be significant. Perhaps, it is the most important of all our activities. It is easy to make out that communication is what has enabled us to develop the civilized society. Communication has enabled us to organize – to work in groups; and through organization, we have been able to overcome barriers to our existence.

Subchapter 1.1.

1.1.1. Elements of Communication

There are eight essential elements in the communication process: source, message, channel, receiver, feedback, environment, context, and interference.

To understand how an interpersonal communication model applies to a business situation, let's say you are the sender, and you write a business process for a new position in your department. You start by determining the format of the document, turning to other recently completed business processes as an example. This decision to use a pre-set format is your way of encoding the message, along with the tone, word choice and detail you use when writing. You are taking your ideas and adapting them to an already-accepted document style to present it in a way that the receiver will understand. The next decision is how to present the information.

When you choose between publishing it through your company's intranet and introducing it in segments in a Power Point presentation, you are determining the information channel best suited to your documents. Before the receiver – a Human Resources manager in this example – can fully understand the information, he must decode it. [1]

The Shannon-Weaver model has a few obvious drawbacks when we try to adapt it to organizational communication. To more accurately represent reality, the model must be given further context. In other words, what factors in the organization influence the communication choices and methods used by its employees? Do a company's hierarchy and corporate culture affect communication? Within the field of communication theory, answers to these questions have been discussed for a century.

[1] Lori Harvill Moore (2013): *Business Communication: Achieving Results*. 1st edition, 2013 & bookboon.com

1.1.2. The Concept of Communication

The word communication has been derived from the Latin word 'communis' that means 'common'. However, communication incorporates, besides commonality, the concepts of transfer, meaning and information.

The communication can be defined as the process through which two or more persons come to exchange ideas and understanding among them.

The definition involves two aspects in communication:

- First, there is something, which is transmitted, such as, facts, feelings, ideas, etc. It implies that there must be a receiver if communication is to occur. The sender of message must consider the receiver while structuring his message from a technical standpoint as well as in delivering it. When the receiver is not considered, there is either no response or there is wrong response.

- Second, the definition emphasizes the understanding element in the communication. Sharing of understanding would be possible only when the person, to whom the message is meant, understands it in the same sense in which the sender of the message wants him to understand. Thus, communication involves something more than mere transmission of the message or transmission and physical receipt thereof. The correct interpretation of the message is important from the point of view of organizational efficiency. As such, the greater the degree of understanding present in the communication, the more the likelihood that human action will proceed in the direction of accomplishment of goals.

The following definition offered by William Scott appear comprehensive and particularly satisfying to the students of 'business communication' since it touches all aspects of the communication process:

"Managerial communication is a process which involves the transmission and accurate replication of ideas ensured by feedback for the purpose of eliciting actions which will accomplish organizational goals." [2]

[2] https://www.studocu.com/ph/document/university-of-the-east/business-research/cp-105-nature-of-business-communication/13936452 Cp-105 Nature of Business Communication, University of the East, Course Business Research, Academic Year 2012/2013

This definition highlights four imperative points:

– The process of communication involves the communication of ideas.

– The ideas should be accurately replicated (reproduced) in the receiver's mind, i.e., the receiver should get exactly the same ideas as were transmitted.

– The transmitter is assured of the accurate replication of the ideas by feedback, i.e., by the receiver's response, which is communicated, back to the transmitter.

– The purpose of all communication is to elicit action.

It is a fairly comprehensive definition and covers almost all aspects of communication. But two comments can be made on it:

– The concept of ideas should be adequately enlarged to include emotions also.

– The purpose may not always be to elicit action. Seeking information or persuading others to a certain point of view can be equally important objectives of communication.

1.1.3. Significance of Communication

Just as communication is vital to our existence in civilized society, it is essential to the functioning of the organizations our society has produced. In fact, we could go so far as to say that organizations exist through communication; without communication, there would be no organizations.

Needless to say, communication is the ingredient that makes organization possible. It is the vehicle through which the basic management functions are carried out. Managers direct through communication; they coordinate through communication; and they staff, plan, and control through communication. Virtually all actions taken in an organization are preceded by communication.

Just how much communicating a business organization needs depends on a number of factors. The nature of the business certainly is one. Some businesses (such as insurance companies) have a much greater need to communicate than do others (such as janitorial services). The company's organization plan also affects the volume of communication, for it generates much of the information flow. Finally, the people who make up the organization affect the extent of communication. Each one has unique communication needs and abilities. Thus, varying combinations of people produce varying needs for communication.

Although communication needs may be dissimilar in different organizations and different groups of people in such organizations communication more than of us suspect. According to one generally accepted estimate, between 40 and 60 percent of the work time spent in a typical manufacturing plant involves some form of communication (speaking, writing, listening, reading). Of course, these percentages are only averages. Some employees spend much more of their time communicating. In fact, the higher up the organization structure the employee is, the more communicating he or she is likely to do. Typically, top executives spend from 75 to 95 percent of their time communicating.

Without question, communication is important to business organizations. Therefore, it stands to reason that a business wants its communication to be done well.

Communication is the life blood, the backbone of business. No business can develop in the absence of effective internal and external communication.

Subchapter 1.2. Internal and External Communication

1.2.1. Internal communication

1.2.1.1. Organizational communication networks

There are two primary communication networks that exist in any organizational environment. These are the *formal* communication network and the informal communication network. The formal network is communication that follows the hierarchical structure of the organization, or the "chain of command." It follows the formal, established, official lines of contact. In other words it follows the prescribed path of the hierarchical chart and tends to be explicit in terms of "who should be talking to whom and about what." The formal chart for this network often is provided to new employees the first day they walk in the door. It explains whom they report to and for what. There usually is little confusion about the formal communication network. [1]

The *informal* network involves communication that follows the "grapevine." It is the unofficial network. This is the type of communication that does not follow the hierarchical path or chain of command. It tells you "who is *really* talking to whom and about what." We are not talking about "gossip" here. Gossip can exist in either network. We are referring to informal communication links that have grown out of relationships among employees and management and that have little or no correlation with the formal organizational chart. The informal network is very strong in most organizations. It usually works much faster than the formal network, and often it works with more accuracy. Until you have access to this informal network, you have not really become a part of the system.

An employee needs to be aware of both networks. Management has more control over the formal network than the informal, but employees have more control over the informal network than management does.

In conclusion, you must learn the formal network, but don't forget to take the time to learn the informal network also. It, too, can make the difference between surviving and not surviving in the organization.

[1] McCroskey, Richmond–McCroskey (2005): *Organizational Communication for Survival: Making Work, Work. 3rd Ed.* BostonAllyn & Bacon. https://www.abebooks.com/Organizational-Communication-Survival-Making-Work Richmond/1354209700/bd

1.2.1.2. Dimensions of Communication

In an organization, communication flows in 5 main directions:

– Downward

– Upward

– Horizontal /Lateral

– Diagonal

– Grapevine Communication

Communication that flows from a higher level in an organization to a lower level is a **downward communication.** In other words, communication from superiors to subordinates in a chain of command is a downward communication. This communication flow is used by the managers to transmit work-related information to the employees at lower levels. Employees require this information for performing their jobs and for meeting the expectations of their managers. Downward communication is used by the managers for the following purposes:

– Providing feedback on employees' performance.

– Giving job instructions.

– Providing a complete understanding of the employees' job as well as to communicate them how their job is related to other jobs in the organization.

– Communicating the organizations mission and vision to the employees.

– Highlighting the areas of attention.

Organizational publications, circulars, letter to employees, group meetings etc. are all examples of downward communication. In order to have effective and error-free downward communication, managers must:

– Specify communication objective.

– Ensure that the message is accurate, specific and unambiguous.

– Utilize the best communication technique to convey the message to the receiver in right form.

Communication that flows to a higher level in an organization is called **upward communication.** It provides feedback on how well the organization is functioning. The subordinates use upward communication to convey their problems and performances to their superiors.

The subordinates also use upward communication to tell how well they have understood the downward communication. It can also be used by the employees to share their views and ideas and to participate in the decision-making process. Upward communication leads to a more committed and loyal workforce in an organization because the employees are given a chance to raise and speak dissatisfaction issues to the higher levels.

Complaint and Suggestion Box, Job Satisfaction surveys etc. all help in improving upward communication. Other examples of Upward Communication are: performance reports made by low level management for reviewing by higher level management, employee attitude surveys, letters from employees, employee-manager discussions etc.

Communication that takes place at same levels of hierarchy in an organization is called lateral communication, i.e., communication between peers, between managers at same levels or between any horizontally equivalent organizational member.

The advantages of horizontal communication are as follows:

– It is time saving.

– It facilitates co-ordination of the task.

– It facilitates co-operation among team members.

– It provides emotional and social assistance to the organizational members.

– It helps in solving various organizational problems.

– It is a means of information sharing.

– It can also be used for resolving conflicts of a department with other department or conflicts within a department.

Communication that takes place between a manager and employees of other workgroups is called **diagonal communication.** It generally does not appear on organizational chart. For instance: To design a training module a training manager interacts with an Operations personnel to enquire about the way they perform their task. The Accounts people of an organization visiting different employees in various departments for their IT calculation, bonus for workers etc. fall under diagonal communication.

1.2.2. External Communication

External communication embodies all of the audiences – or publics – reached through an organization's marketing, governmental relations and community involvement programs. Business communicators in each of these fields have some of the same challenges faced by the internal communications manager and project team leader, except on a grander scale. They will need to look at the types of messages being sent by the company and assess how closely the messages are aligned with the organization's objectives.

Business organizations are required to deal with licensing authorities, foreign trade offices, customs authorities, banks and other financial institutions, income tax and sales tax offices, post offices, transporters, etc.

Quite frequently, they find themselves in tricky situations that can be handled only through tactful communication.

Distributors, retailers, individual customers, etc. Modern business is a highly competitive phenomenon. Each product of common consumption is available in hundreds of brands, not all of which sell equally well. Marketing research has revealed that the organizations that can communicate better also sell better. Sales are promoted through persuasion and persuasion is a very important aspect of communication.

External-operational communication is the organization's communication with its publics: suppliers, service companies, customers, and the general public. [2]

In this category fall all of the organization's efforts at direct selling: sales representatives' sales spiels, descriptive brochures, telephone call-backs, follow-up service calls, and the like. Also included are all of the organization's advertising efforts, further in this category is everything the organization does to enhance its public relations. These activities include the organization's planned publicity, and the condition of its physical plant. All these and many more communication efforts combine to make up the organization's external-operational communication.

The extreme importance of an organization's external communications hardly requires supporting comment. Certainly it is obvious that any business organization depends on outside people and groups for its success. It is an elementary principle of business that because a business organization's success depends on its ability to satisfy customers' needs, the organization must communicate effectively with these customers. It is equally elementary that in today's complex business society, organizations depend on one another in manufacturing and distributing and services. This interdependence necessarily creates needs for communication. Like internal communications, these outside communications are vital to an organization's operation.

[2] *Cp-105 Nature of Business Communication.* University of the East, Course Business Research, Academic Year 2012/2013. https://www.studocu.com/ph/document/university-of-the-east/business-research/cp-105-nature-of-business-communication/13936452

Subchapter 1.3. Channels of (Business) Communication

1.3.1. Introduction

The channel, or medium, used to communicate a message affects how the audience will receive the message. Communication channels can refer to the methods we use to communicate as well as the specific tools we use in the communication process. In this chapter we will define communication channels as a medium for communication, or the passage of information. In this chapter we will discuss the principal channels of communication, as well as the tools commonly used in professional communication.

We will discuss the pro and cons, and use cases for each tool and channel, because in a professional context, the decision about which channel to use can be a critical one.

The formal communication network is formed out of formal channels, created by setting a formal system of responsibilities according to the hierarchical structure of the organization. The perfect network is the one which contains communication channel from bottom up, downwards and horizontally. Often the direction of horizontal communication is missing or it is inefficient and in this way the accuracy of the information decreases. The situation is appearing because of the lack of permanent circulation of the information between departments, although this is vital for the organization in conditions of existent competition, or the lack of specialists in organizational communication.

The number of communication channels available to a manager has increased over the last 20 odd years. Video conferencing, mobile technology, electronic bulletin boards and fax machines are some of the new possibilities. As organizations grow in size, managers cannot rely on face-to-face communication alone to get their message across. A challenge the managers face today is to determine what type of communication channel should they opt for in order to carry out effective communication.

Communication channels can be categorized into three principal channels: (1) verbal, (2) written, and (3) non-verbal. Each of these communications channels have different strengths and weaknesses, and oftentimes we can use more than one channel at the same time.

1.3.2. Verbal Communication

Most often when we think of communication, we might imagine two or more people speaking to each other. This is the largest aspect of verbal communication: speaking and listening. The source uses words to code the information and speaks to the receiver, who then decodes the words for understanding and meaning. One example of interference in this channel is choice of words. If the source uses words that are unfamiliar to the receiver, there is a chance they will miscommunicate the message or not communicate at all. The formality of vocabulary choice is another aspect of the verbal channel. In situations with friends or close co-workers, for example, you may choose more casual words, in contrast to words you would choose for a presentation you are making to your supervisors. In the workplace the primary channel of communication is verbal, much of this communication being used to coordinate with others, problem solve, and build collegiality.

One element of verbal communication is tone. A different tone can change the perceived meaning of a message. Table "Don't Use That Tone with Me!" demonstrates just how true that is. If we simply read these words without the added emphasis, we would be left to wonder, but the emphasis shows us how the tone conveys a great deal of information. Now you can see how changing one's tone of voice can incite or defuse a misunderstanding. [1]

Table 1. Don't Use That Tone with Me!

Placement of Emphasis	Meaning
I did not tell John you were late.	Someone else told John you were late.
I *did not* tell John you were late.	This did not happen.
I did not *tell* John you were late.	I may have implied it.
I did not tell *John* you were late.	But maybe I told Sharon and José.
I did not tell John *you* were late.	I was talking about someone else.
I did not tell John you *were* late.	I told him you still are late.
I did not tell John you were *late*.	I told him you were attending another meeting.

Based on Kiely, M. (1993)

[1] Olds College OER Development Team (2015): *Professional Communications OER*, Olds, Alberta: Campus Alberta. http://solr.bccampus.ca:8001/bcc/file/0382a-a4c-e64e-469a-b64b-36fd38ccd81b/1/eTextbookPart1Foundations%20%28PDF%29.pdf

1.3.3. Non-Verbal Communication

What you say is a vital part of any communication, but what you don't say can be even more important. Researches also show that 55 percent of in-person communication comes from non-verbal cues, such as facial expressions, body stance, and smell.

According to one study, only 7 percent of a receiver's comprehension of a message is based on the sender's actual words; 38 percent is based on paralanguage (the tone, pace, and volume of speech), and 55 percent is based on non-verbal cues such as body language (Mehrabian, 1981).

Research shows that non-verbal cues can also affect whether you get a job offer. Judges examining videotapes of actual applicants were able to assess the social skills of job candidates with the sound turned off. They watched the rate of gesturing, time spent talking, and formality of dress to determine which candidates would be the most successful socially on the job (Gifford, Ng, and Wilkinson, 1985). For this reason, it is important to consider how we appear in the professional environment as well as what we say. Our facial muscles convey our emotions. We can send a silent message without saying a word. A change in facial expression can change our emotional state. Before an interview, for example, if we focus on feeling confident, our face will convey that confidence to an interviewer. Adopting a smile (even if we are feeling stressed) can reduce the body's stress levels.

Generally speaking, simplicity, directness, and warmth convey sincerity, and sincerity is key to effective communication. A firm handshake given with a warm, dry hand is a great way to establish trust. A weak, clammy handshake conveys a lack of trustworthiness. Gnawing one's lip conveys uncertainty. A direct smile conveys confidence. All of this is true across North America. However, in other cultures the same firm handshake may be considered aggressive and untrustworthy. It helps to be mindful of cultural context when interpreting or using **body language.**

Smell is an often overlooked but powerful non-verbal communication method. Take the real estate agent who sprinkles cinnamon in boiling water to mimic the smell of baked goods in her homes, for example. She aims to increase her sales by using a smell to create a positive emotional response that invokes a warm, homelike atmosphere for her clients. As easy as it is for a smell to make someone feel welcome, the same smell may be a complete turnoff to someone else. Some offices and workplaces in North America ban the use of colognes, perfumes, or other fragrances to aim for a scent-free work environment (some people are allergic to such fragrances). It is important to be mindful that using a strong smell of any kind may have an uncertain effect, depending on the people, culture, and other environmental norms.

In business, the style and duration of **eye contact** people consider appropriate varies greatly across cultures. In the United States, looking someone in the eye (for about a second) is considered a sign of trustworthiness.

The human face can produce thousands of different expressions. Experts have decoded these expressions as corresponding to hundreds of different emotional states (Ekman, Friesen, and Hager, 2008). Our faces convey basic information to the outside world. Happiness is associated with an upturned mouth and slightly closed eyes; fear, with an open mouth and wide-eyed stare. Flitting ("shifty") eyes and pursed lips convey a lack of trustworthiness.

The effect **facial expressions** have on conversation is instantaneous. Our brains may register them as “a feeling” about someone’s character.

The position of our body relative to a chair or another person is another powerful silent messenger that conveys interest, aloofness, professionalism—or lack thereof. Head up, back straight (but not rigid) implies an upright character. In interview situations, experts advise mirroring an interviewer’s tendency to lean in and settle back in her seat. The subtle repetition of the other person’s posture conveys that we are listening and responding.

1.3.4. Written Communication

In contrast to verbal communications, written professional communications are textual messages. Examples of written communications include memos, proposals, emails, letters, training manuals, and operating policies. They may be printed on paper, handwritten, or appear on the screen. Normally, a verbal communication takes place in real time. Written communication, by contrast, can be constructed over a longer period of time. Written communication is often asynchronous (occurring at different times).

That is, the sender can write a message that the receiver can read at any time, unlike a conversation that transpires in real time. There are exceptions, however; for example, a voicemail is a verbal message that is asynchronous. Many jobs involve some degree of writing. Luckily, it is possible to learn to write clearly.

1.4. Digital Communication Channels

The three **principal communication channels** can be used “in the flesh” and in digital formats. Digital channels extend from face-to-face to video conferencing, from written memos to emails, and from speaking in person to using telephones. The digital channels retain many of the characteristics of the principal channels but influence different aspects of each channel in new ways. The choice between analog and digital can affect the environment, context, and interference factors in the communication process.

CHAPTER 2

About presentation in general

Chapter 2. About presentation in general

2.1. Why making good presentations is important?

Why Are Presentation Skills Important? Most people will agree that effective presentation skills are important. Because whether we like it or not:

– we have to participate in job interviews, in meetings, conferences, workshops, public events,

– without it we cannot receive real recognition,

– in our age the image is often more valuable than the true content.

That is why we should learn, how to express our ideas in front of people in a clear structured and engaging manner. We should know that "Presentation skills" is not a black and white off/on switch.

Everybody has presentation skills. Some people believe that good presenters are born, not made. This is simply not true. Sure, some people are more relaxed and comfortable speaking in front of others, but everyone can learn the skills and techniques they need to increase their level of confidence and performance when presenting.

Don't forget that the primary goal is for developing of our presentation skills to be better than our 'competition' is. The secondary goal is for our presentations to get better with every presentation that we deliver.

From sales pitches to training lectures, good presentation and public speaking skills are key to many influential roles in today's business world. The good news about presenting is that we can improve it with learning, with practice.

2.1.1. Public speaking in business environment

Communications in its multiple forms pervades today's business environment. With numerous job interviews, conference calls, meetings, product presentations, workshops, and public events, more and more leaders realize the importance of developing good interpersonal communication skills within their company. Yet the majority of executives and employees continue to neglect and overlook the use of public speaking, leaving the advancements and better career opportunities for those who take proactive steps to master the art of speaking in public. [1]

The truth is that you might have the best products or services, years of experience or an outstanding business idea, but if you do not communicate this to your target audiences, you are limiting your effectiveness. All too often, the very best and inspiring stories in organizations and companies go untold because of people's reluctance to or fear of taking the stage.

Whether your goal is to enhance your professional growth, take your business to the next level, or inspire, persuade and motivate other people to follow your lead, you will have to learn how to convey your ideas in front of a group of people in a clear, structured and captivating manner.

However, becoming an effective public speaker does not have to turn into one of the necessary, yet unpleasant goals on your professional advancement list.

The art of public speaking holds many practical benefits that go far beyond delivering a project presentation or holding a successful meeting.

Developing your communication skills and learning to speak in public:

– Opens up new opportunities for career advancement.

– Positions you as an authority.

– Sets you apart from your competition.

– Attracts the right customers to your business.

– Presents technical or business information effectively.

[1] Nikitina, Arina (2017): *Successful Public Speaking.* 1st edition, free e-book at *bookboon.com* - https://bookboon.com/

– Produces a faster sales cycle.

– Allows you to effectively market your business or promote your products to larger audiences.

– Improves internal communication.

– Helps you to easily assume leadership and train others.

– Increases employees' productivity.

– Prepares you for spontaneous speaking challenges (e.g. delivering a speech at short notice).

– Establishes greater credibility and helps your clients' loyalty.

– Motivates and persuades other people to reach and attain professional goals.

– Makes you a desirable guest on local, regional and national conferences, seminars and public speaking events.

2.1.2. Personal and social benefits of public speaking

Improving your ability to speak in front of others and learning to talk about who you are and what you do with natural grace and authenticity can go a long way in expanding your social circle, building strong relationships with successful, like-minded people and making new friends.

Other personal benefits of public speaking include [2]:

– Increased self-confidence

– Improved communication skills

– Increased organizational skills

– Greater social influence

– Enhanced ability to listen

– Greater possibility of meeting new people

– Lesser anxiety and fear when speaking in front of others

– Improved memory

– Enhanced persuasion ability

– Greater control over emotions and body language

[2] Nikitina, Arina (2017): *Successful Public Speaking.* 1st edition, free e-book at *bookboon.com* - https://bookboon.com/

Subchapter 2.2. Public speaking and presentation

2.2.1. Introduction

Public speaking is a common source of stress for everyone. Many of us would like to avoid this problem entirely, but this is hard to do. Whether we work alone or with large numbers of people, eventually we will need to speak in public to get certain tasks accomplished. And if we want to be leaders or achieve anything meaningful in our lives, we will often need to speak to groups, large and small, to be successful. [1]

Many of us have observed public speakers and thought to ourselves "Wow, I could never be that smart, calm, witty, entertaining, polished ... or whatever." Well, you do not have to be brilliant, witty, or perfect to succeed. That is not what public speaking is all about. I know it may look that way, but it is not. You can be average. You can be below average. You can make mistakes, get tongue-tied, or forget whole segments of your talk. You can even tell no jokes at all and still be successful.

It is human nature to assume that when we communicate we are doing so effectively, and that if anything goes wrong consequently the responsibility for that must rest with the recipient. Here, we draw attention to six steps that constitute a typical two-way communication, and when the opportunities for miscommunication are considered you may view it as surprising how often communication works without a problem.

When, a speaker speaks to a recipient, we have the following possible processes:

– What the speaker thinks to say

– What he actually says

– What the recipient hears

None of these are necessarily the same and three chances already exist for a breakdown in communication.

[1] Cp-105 *Nature of Business Communication.* University of the East, Course Business Research, Academic Year 2012/2013 https://www.studocu.com/ph/document/university-of-the-east/business-research/cp-105-nature-of-business-communication/13936452

As a result of what a recipient hears, he may make a reply, giving:

– What he thinks to say

– What he actually says

– What the speaker thinks to hear

Now, multiply that by the number of recipients that may be listening to the speaker and you begin to understand the opportunities for misinterpretations that may arise.

As you can see, communication is a complex two-way process this is why it so often breaks down and is ineffective. With the complexity apparent even in a simple communication, it should be apparent that there is a need for clarity and simplicity – as this will minimize the chance of misunderstandings.

Communication is a skill and like any skill, it requires practice. The skill enhancement is a gradual process through practice that differentiates a skill from one form to other forms of knowledge. Understanding the theory of communication and effective public speaking will not in itself make you a brilliant communicator or speaker but should make you aware of how to maximize the impact of your presentations.

The most important thing to remember is that the message that you intend to communicate is likely to be misunderstood. Therefore, in addition to carefully preparing and presenting your message, stay alert for any signs that your audience are misinterpreting it. It is up to you, the speaker or presenter, to continually check that your message has been received, understood, correctly interpreted and filed in the receivers' mind.

Think about how many times you and your colleagues have attended the same meeting or presentation and yet have come away with different interpretations about what was meant. When preparing your messages, try to think of the different ways that it could be interpreted by your audience and try to translate it in a way that will minimize inaccurate interpretations.

2.2.2. What is public speaking

It is an act and an art of making a speech before an audience. The goal of it is not only to inform the audience, it is much more about to change its emotions, actions and influence its attitudes. The art of speaking in public is not new, its tradition goes back to Classical Greece (490-322 BC). The first rules were elaborated from the Greek philosopher and teacher of Alexander the Great – Aristotle.

We know it as The three basic parts of persuasion:

– Ethos: a speaker should possess a certain level of authority and knowledge about the chosen topic.

– Logos: to make sure that the message is received and understood correctly by the listener it has to be delivered in clear, informative and logical manner.

– Pathos: to capture and hold the audience's attention the speaker must establish an emotional connection with it.

There are three general purposes for speaking in public. The first general purpose is to inform your audience. Occasions for which an informative speech would be presented include for example a report, a lecture and a training.

The second purpose for public speaking is to persuade. Several occasions where persuasion is used include a sales pitch, a politician's campaign speech, or a debate during a public forum.

The last general purpose is to commemorate or entertain. Examples of this purpose include a toast, a eulogy; a commencement speech at graduation; or presenting an award.

2.2.3. Modern elements of public speaking

The widespread accessibility of mass media and especially, the Internet, has made it easy for us to reach a vast audience and let our voice be heard.

Public speaking has evolved from a skill reserved by a selected few to one of the most powerful marketing, educational and brand promotion tools in any business.

It is safe to say that in the modern business world just about every well-paid position requires some form of public speaking, be it giving a group sales presentation, presenting your ideas to the board of directors, speaking to a committee or telling a group of potential clients about your company during a corporate event.

Most public speeches can be broken down into five basic elements, usually expressed as:
"Who is saying What to Whom using what Medium with what Effects?"

Subchapter 2.3. Preparing a presentation

2.3.1. Introduction

Effective presentation is much more than just presenting your ideas or delivering a speech. It is about skillful communication and relating to the audience—whether the audience is a few people or a large gathering. An effective presentation is one that matches the message to the audience, matches the content and delivery to the purpose, and is delivered in a clear and engaging manner.

To create that kind of presentation requires preparation. You need to learn about your audience and any logistical factors so that you can tailor your message accordingly. With your audience in mind you can outline the presentation to clarify your key messages and establish a logical sequence.

Next comes the writing. Informational and motivational speeches will differ somewhat in structure, but most speeches have an introduction, a discussion, and a conclusion.

Getting ready to deliver your presentation involves practicing until you are comfortable with your performance.

When you present, be sure to face the audience and maintain an attentive stance. Don't stand in a fixed position. Instead, move around, make eye contact, and relax so you can connect with the audience.

Being asked to give a public presentation is gratifying and frightening. The gratification is natural since you can assume your innate talents have been noted, your expertise acknowledged and your humility respected! How rare is that? The feeling of fright is also entirely natural – caused mainly by the uncertainty and the unknown. But you can overcome a fear of public speaking. Indeed it is typically tackled by solid preparation and planning which are the essential attributes for effective presentations.

But put aside these natural human emotions, gratification and fear because there is an immediate set of priorities for your attention.

2.3.2. Questions to be asked before the presentation

Don't accept an invitation to give a presentation immediately. Your move to not accept a presentation engagement immediately is not shyness. No, you have to find out more. And finding out more at this stage is very important for your later presentation planning and preparation.

Before you accept an invitation to make a presentation you need answers to these ten questions [1]:

1. Who wants you to speak and which organization do they represent?
2. What are their contact details?
3. What is the planned event?
4. When and where is the planned event?
5. How many speakers will be involved?
6. What is the theme of the event?
7. What sort of presentation is expected from you?
8. Why are you being asked to present?
9. What visual elements can be supported and will the event be broadcast?
10. Can I call you back to confirm?

So you have ten easy questions to ask before you agree to give that presentation. In essence they are the first steps you need to take to master that presentation. By asking them you acquire much of the useful information that will subsequently guide your presentation planning process. And by planning effectively you ensure that you present effectively without a fear of public speaking. Now, should you accept that invitation or not?

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

2.3.3. Smart speech preparation

After you have learned as much as you can about your audience, their needs and speech settings, the next step is to create an amazing presentation. Easier said than done?

What ideas do you want to share with your audience? How do you make your presentation memorable?

What do you start with? All these questions in combination with a blank sheet of paper or an empty.

Word file can intimidate and overwhelm even the most creative and knowledgeable people.

A SMART Speech Preparation formula allows any speaker to overcome writer's block and put together a great presentation.

1. Select your material

The information presented by a speaker can be compared to the **tip of an iceberg.** Only 20% of an iceberg is seen above water. The rest is hidden below the surface. Similar your knowledge and experience of the subject should be much greater and much deeper than what you decide to cover during your presentation.

It is crucial that your listeners are not left with the impression that they know more on the subject than you do, otherwise you will quickly lose your credibility while your presentation will lose its appeal.

To make sure that this does not happen, gather as much information as possible about the topic of your speech:

– Start with what you already know.

– Choose 1–3 major points that you must get across to your listeners and organize your presentation around them.

– Remember, that the best speeches should leave the listeners with insights and "aha!" moments that they did not have before they went to hear you speak.

– Conduct solid research to supplement your presentation with stories, examples, interesting facts, statistical data and visual aids which should give you fresh ideas on how to make your speech even better.

Failing to elaborate a solid outline can make the whole presentation look shaky and unconvincing.

The basic speech outline template contains 5 main elements:

– Attention grabber: an unusual statement, a question, a gesture, a story, a prop, or a long pause that is intended to start the presentation on a strong note.

– Introduction: the opening part of your presentation where you state your core message, list key points name, a problem that needs to be solved.

– Body: makes up around 70% to 80% of your speech. It contains the detailed explanation of the key points.

– Conclusion: summarizes the core message of the presentation, recaps the main points and states the main idea that has been mentioned throughout the presentation.

– Call-to-action: the closing punch line of the speech that leaves the audience with something to think about or empowers them to take specific action steps

2. Add humor and personality

After you have mapped a clear outline of the presentation the next logical step of the SMART speech preparation is to create a written draft of your speech. You do not have to write the whole speech, but you should definitely include the paragraphs that you do not want to forget or rephrase.

3. Revise your speech

After you have finished the draft of your speech, think of how it can be improved even further:

– Consider making your sentences shorter, especially the ones loaded with emotional content.

– For longer sentences consider putting the main verb early.

– Use memorable adjectives and adverbs to make your speech more powerful.

– Add strategically placed pauses for impact.

– Repeat the key idea over and over again throughout your presentation.

– If possible incorporate stories into your speech.

– Include questions, phrases and stories that allow you to interact with your audience and establish an emotional connection with them.

4. Tie loose ends together.

Make sure that the ends of your speech are tied together, that you start and end with a strong statement, that your introduction is consistent with your conclusion, and that your visual aids are coherent and support your main ideas.

CHAPTER 3

‘The audience is always right’

Chapter 3. 'The audience is always right'

3.1. Understanding Your Audience

The success of most presentations is generally judged on how the audience responds. If the audience think that their time is better spent doing something else or listening to someone else, then you have hardly be effective.

Why do people think, that the modern business presentation has lost its way, and is mostly ineffective?

Because:

– Speakers misunderstand how spoken communication works.

– Differences between speaking to the audience and other much more familiar forms of communication are unnoticed,

– Differences between language in public speaking and in everyday conversation are misappreciated,

– Speakers seem to have stopped thinking about the needs and preferences of their audiences.

An effective presentation is a relevant presentation. To be relevant means that your presentation has to associate its title, content and findings with the interests of the audience. That is why you have to find out what your audience wants.

Try to:

– Determine who the members of the audience are.

– Disclose what they do need to learn. and what they do already know.

– Create an outline for your presentation, and ask for advance feedback on your proposed content.

The only way to satisfy your audience's needs and expectations is to deliver the content they want. If you provide the information in a well-structured format, and you include various techniques you can keep the audience engaged and interested.

3.1.2. Master an Attentive Audience

As a speaker it might seem remarkable that some of your audience don't listen to you. But it's not remarkable. It's true. And there are good reasons for an audience being inattentive. Many of the reasons are down to you – and there are five things that you must do about it [1]:

1. Information overload. It's a fact that you give too much information in a speech or presentation. You use extensive bullet points or lists such as these! You often have copious PowerPointTM slides. You use too much text on your slides. Less information is more.

2. Audience preoccupation. An audience's travails at home, in the office or on the sports field can leave them underwhelmed when it comes to your speech. As a speaker you have the duty to know, or at least understand, your audience.

3. Think ahead. When you speak at the rate of some 150 words per minute your audience might well be thinking ahead at the rate of 600 or 700 words a minute. They might be pursuing a tangent that you left a moment ago. Or they might be puzzling over something that's not quite clear. You need to build structure and organisation in your speech. And you must be alert to audience reaction as you speak. If the eyes glaze over, then there's something wrong with your presentation.

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

4. Noise. Not all your public speaking will be in a rarefied auditorium with pitch perfect acoustics. Afraid not. For most of us will become familiar with speaking in a noisy conference room, a seminar in the basement or next to the hotel kitchen. Prior preparation will help. You can ensure that your audience is as physically close as they can be. You can ensure that the seating is raked towards you and you can ensure that the catering team brings out the coffee trolleys once you have finished. Beyond that – speak up, tone up and emphasise the key points.

5. Audience exhaustion. You should be alert to the audience's physical tiredness. Their active listening to a day or two of conference speeches is exhausting. If you are less fortunate to be speaking at the end of an event you need to be prepared: be ready with some participative exercises, change the pace or use more multimedia.

Tackling the five challenges of a non-listening audience is not hard work. You need to project enthusiasm and interest in your topic. You have to appear animated and fired-up – even if it is the final day of a 3-day conference. Your speech should present clear tangible benefits to your audience – providing good reason for their attention. And you have to structure your speech to meet their attention needs. It should begin on a solid footing, have a recognisable middle and end on a high note. By keeping the speech simple and uncluttered you ensure that the barriers to listening are easily overcome.

Subchapter 3.2. Conversation vs. public speech

3.2.1. Conversation Versus Public Speech

In natural conversations the participants have little or no trouble in staying awake. This is because there are powerful incentives to pay attention built into the way conversation works. It means, the participants mostly understand the rules of it, which are:

Conversational Presentation in a small group:

– Conversations are hold in small groups.

– Only 1 person speaks at a time.

– In the mass from everyone is expected to make a contribution to the conversation.

– Interruptions are rude.

– ”Umms”” indicate that you want to keep your turn.

– Rehearsal is not typical.

The rules above are mostly not valid for presentations, because:

– Presentations are made to large groups – often total stranger.

– Only 1 person speaks at a time – mostly for a long time.

– Interruptions might be signaled – but most audiences don't interrupt. the speaker can initiate the activity of the audience.

– Short, medium and lengthy pauses are standard practice.

– "Umms" still indicate that the speaker is going to continue his speech.

– Repetition is standard practice – the audience expects it.

And what about the audience? The audience has to put up with a set of unnatural physical expectations.

These are:

– Keep quiet upwards 30 minutes or longer unless asked to say or do something by the speaker.

– Mostly sit in dark as the speaker clicks trough his series of PowerPoint.

– Listen to the presentation and focus on it for a long period of time.

3.2.2. Conversation Versus Public Speech

Becoming an effective public speaker depends on having as clear a picture as possible of the key differences between conversation on the one hand, and speeches and presentations on the other.

We can conclude, that speeches and presentations:

– have an enormous capacity for boring audiences,

– and that holding the attention of an audience is a major challenge for speakers.

For speakers therefore is important to recognize the dramatic change in the motives of the audience for paying attention that occurs as soon as they stop conversing with other members of the audience, and settle down to listen to the speaker of the day.

Unhappily the more conversational the talk, the more likely it is to come across as flat, uninspiring, and difficult to follow. But it is possible to attract and hold the attention of the audience if the speakers know, that audiences have more of an incentive to listen when:

– They have a chance to join in.

– They are on the lookout for a chance to clap, cheer, boo or heckle.

– The speaker makes them laugh.

– The speaker keeps good eye contact with them.

Making the most of eye contact with the audience the speakers can:

– see their reactions,

– put pressure on them to pay attention,

– find the responsive members among them,

– learn to include every member,

– acquire the touch, turn and talk technique of presentation.

3.2.3. Language for presentation vs. language for conversation

Differences between written and spoken language

Writing and conversation are a more familiar form of communication than speeches and presentations. Speakers who would like to avoid inflicting boredom and confusion on their audiences should know the differences of language usage in writing and in orally communication. One type of difference has to do with grammar, word selection, and sentence construction, and an another one with transmission of information in quantity and in detail.

The cloak of formality

When we are writing we try to express our thoughts and messages in formal way. We try to use hyper-correct grammar, good structured, but longer sentences. If we forget to change this written style when addressing an audience, we will let the audience think we are not credible and we are hiding behind a cloak of formality. Using technical words that are hardly ever heard in everyday conversation is a manifestation of written style and it will make more difficult for an audience to understand what we are talking about.

Further when speaking we often use acronyms and English speaking people make frequent use of shortened forms for various tense constructions, such as ‘I'll’ rather than ‘I shall’, ‘you'd’ instead of ‘you had’, and so on. The full forms are mainly used on occasions where we want to give extra emphasis or clarity, as when we say ‘I did not …’ or ‘I shall …’.

When speaking to an audience, jargon and acronyms should be kept to an absolute minimum. The biggest risk in using slang is that some members of an audience may find it offensive.

In written documents complex words tend to feature often. Novices in presentation think they have to use in oral presentations longer and more complex sentences, because they have not enough routine and cannot recognize that the more extended and complicated the structure of a sentence, the more difficult it will be for the audience to make sense of it.

When we're writing we try to avoid repetition of words. When it comes to speaking, however, the rule against repetition no longer applies in the same way. Repetition is not only a useful way of making things clearer for audiences, but can also greatly increase the impact of the message you want to get across. Not all forms of repetition are helpful: the repeated use of a particular word like ‘actually’ or ‘basically’ is likely to distract the audience.

In written language the usage of passive is accepted. In spoken language happens as well that the use of passive is appropriate. For example, when the speaker will specifically want the material to come across as neutral and detached.

The general message is that the interests of audiences are best served by keeping things as simple as possible on all fronts. The ideal relationship between a written report or proposal and a spoken presentation can be likened to the relationship between a 300-page novel and an adaptation of it for the stage, film or television that only lasts for an hour or two.

Subchapter 3.3. Overcoming fear of public speaking

3.3.1. Presentation Anxiety

In the moments, hours or days before a presentation you can be very anxious; anxious about yourselves, anxious about your audience and anxious about your presentation style. Such anxiety can be deep rooted. But fortunately there are techniques to both overcome anxiety and actively use it to your advantage.

There are three main techniques to master:

– Preparation. Being prepared counts for everything. Effective planning, preparation and rehearsal are essential. Your planning should include audience research; conference themes; presentation timings and audience expectations. Your preparation should encompass your working mission, objectives, title and the main points you want to make. And don't forget an explosive start and a powerful finish to the presentation. Allowing time and space for rehearsal is also vital. Rehearsal ensures that you can run to the time allotted. It ensures that your word and sentence structures are clear and consistent. And importantly it also ensures that you are fully familiarized with both content and subject. Familiarization helps you to be fully prepared for eventualities that might otherwise throw you off track.

– Mental Preparation. Being ready to give a good presentation requires a state of mental preparedness. Being prepared is one thing. Being up for it is another. You should remember why it is that you are speaking. It's because you have the expertise. You are the best. And you are professional. Mental preparation requires you to remind yourself of your own capabilities. You boost your own esteem and belief as a result.

– Breathing. The best rule for public speaking is: keep breathing, without it all is lost. Droll, but true. Before you begin your presentation you need to control your breathing with some breathing exercises. You breathe in deeply through the nose and exhale slowly through the mouth. You repeat this several times before you need to speak. These exercises channel your anxiety and slow the heart rate. They are best performed standing up. In the presentation your breathing should be moderated with your talk. Talking at the rate of 150 to 200 words a minute is about right. It could be slower but should not be faster. When you accelerate your speech you lose your breathing control, the heart increases its beat rate and you become more anxious.

Your presentation becomes effective when your underlying anxiety – your nerves – are channeled to better effect. Your natural nervous state will result in a polished performance when you are in control. Preparation and planning ensure that you are confident. But not over confident. With your mental preparation complete you know that you are the best one for this presentation – that's why you are asked to speak. And your breathing is optimized for a presentation. It's controlled and measured and timed with your speaking. You are ready to present.

3.3.2. The hidden psychology behind the fear of public speaking

An opportunity to speak in front of an audience, whether it is three or three hundred people, is the chance to sell your business or service to potential customers or clients. However, one of the biggest obstacles that many business men and women face is the fear of public speaking.

According to national surveys and research results, fear of public speaking (or 'glossophobia') ranks among the top dreads, surpassing the fear of heights, fear of spiders and even fear of death itself. As Jerry Seinfeld put it – "at a funeral, the average person would rather be in the casket than giving the eulogy."

So what is it that makes the fear of public speaking so strong and so debilitating? Why does 75% of population suffer from speech anxiety every time they are asked to talk in front of other people? How can we overcome the fear of speaking in public and polish our communication skills? What can we do to transform the fear of public speaking into enthusiasm and positive energy?

Psychologists know that the very fact of being in the spotlight often triggers the whole range of physical reactions that we would experience in the face of real life-threatening danger as [1]:

– Pounding heart

– Dry mouth

– Shaky hands

– Quivering voice

– Cold sweaty palms

– Stomach cramps

Recent research conducted at UCLA (University of California at Los Angeles) might finally shed some light on this issue. MRI scans of the brain showed that the shock and distress of rejection activate the same part of the brain, called the anterior cingulate cortex, that also responds to physical pain.

[1] Nikitina, Arina (2017): *Successful Public Speaking.* 1st edition, free e-book at *bookboon.com* - https://bookboon.com/

Another study conducted by Edward E. Smith, director of cognitive neuroscience at Columbia University demonstrated that the feeling of rejection is one of the most painful emotions that can be sustained even longer than fear.

How can these findings explain the fear of public speaking? If it is painful enough to be rejected by just one person, imagine the pain we could experience when being rejected by a large group of people. Of course, our emotions range from being absolutely terrified to feeling very uncomfortable!

Our anxiety and fright before the speech, however, may be caused not by fear of public speaking per se' but by the audience's reaction to our performance. Or put simply, we are afraid that our nervousness will interfere with our ability to perform and we will end up embarrassing ourselves.

Accepting our fear helps us to take proactive steps in addressing stage fright and letting the adrenaline rush work for you, not against you.

CHAPTER 4

Designing a Presentation

Chapter 4. Designing a Presentation

Think of a presentation in terms of a journey; designed to take an audience to a pre-planned destination. Use this analogy to identify the key points of your message, prioritize them and allocate each one an appropriate time slot. Nearly all presentations should fit into a simple structure. This comprises three clearly identifiable parts - an introduction, followed by a main body and finally a conclusion.

A good guide for the breakdown of a presentation is the 10/80/10 rule – whereby the introduction and conclusion are each allotted 10% of the presentation time, with the main body comprising 80%. For example, a 30- minute presentation would have a 3-minute introduction and conclusion and main body lasting 24 minutes. This formula can be applied to any length of presentation – as it reflects a good breakdown from the audience's perspective.

In researching and collating the material that you need and devising your key points you will have been concentrating on the main content of your presentation. This is fine, as the most effective and efficient way to prepare your presentation is to construct it in the order of: Introduction, Main Body, and then the Conclusion.

It is usually best to plan your presentation to have a question and answer session at the end. This will enable you to deliver your message and then end strongly with a clear and concise conclusion, before entering the relatively unpredictable area of tackling questions from the floor.

Subchapter 4.1. Identifying key points

How you choose to organize your presentation has a major impact upon your success as a presenter. You set a mission or purpose for your presentation.

Your mission might serve one or several of the following aims [1]:

– Entertain

– Inform

– Inspire

– Motivate

– Persuade

– Advocate

What you say and how you say it also need to be consistent with the purpose of the presentation. It is likely that you will make two types of presentations:

– Informational

– Motivational

Often, presentations will have elements of both types but will be primarily aimed at one purpose or the other. The quickest way to determine which type is appropriate is to ask yourself this question: Am I relaying facts or shaping opinions?

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

Informational presentations:

– Transmit specific knowledge.

– Present information directly or through explanation.

– Feature statistics or supporting research.

– Present ideas in logical sequence.

For example, if asked to provide fire evacuation guidance to the occupants of a residential complex, you would make an informational presentation.

Motivational presentations:

– Create awareness, change attitudes, or garner support.

– Use concrete language to communicate abstract points.

– Use vivid and interesting language.

For example, if you want to gain community support for a preparedness initiative, you would make a motivational presentation, or one with both informational and motivational elements.

When you get the right purpose for your presentation everything else follows. You can structure your presentation clearly. You can prepare coherent outlines and you can make the right points for your audience.

Now you should consider the points you want to make. Inevitably there will be several. Write down all of them. Once you have listed them all, you have the chance to rationalize the list. Aim for three good points in your presentation. At a pinch you might succeed with four or five. But any more points will not be remembered by your audience so it's best to plan for brevity.

Your three main points provide the basis for your presentation – its theme or thesis. Writing down the presentation thesis, the central argument, is useful for the next stage. There are three easy ways to organize your points.

- Time Line. A chronological order to your points might be appropriate. A rigid time line works with a strong story but it isn't always the best option for a presentation. You could reverse the time line. Or you might want to mix it further. Paint a vision of the future and then detail the steps needed to get from here to there might be appropriate. If you do mix up the chronological order, aim to explain each step very clearly.

- Tell them. You might adopt the simplest of techniques in which you tell the audience what you intend to tell them. Then you tell them. And then you tell them what you have just told them. It's neat and simple and it includes plenty of repetition of the main points. It's probably ideal for internal events, but it might be overly simple for external presentations.

- Problem, cause, solution. In its simplest form this organizing method highlights a problem or issue. It addresses its cause. And it presents a solution. In reality the problem typically has more than one facet. The cause has more than one dimension. And there are many solutions. But the problem, cause, solution approach provides ample scope for more detailed consideration of your three main points and their supporting evidence.

Whichever option you choose, a well-organized presentation has a better chance of success. And a well- organized presenter is also more likely to master their presentation. With well-structured points and a coherent central argument your presentation will be understood by your audience. And, importantly, it will be remembered.

Subchapter 4. 2. Choosing the presentation style

4.2.1. Introduction

In any good presentation you should be prepared to move from one of your main presentation points to another smoothly and neatly. And there's the challenge. Your audience doesn't have the benefit of headings, sub-headings or paragraphs to guide them. Their understanding of your presentation has to be guided by you with clear organisation and speech. Without well-delivered transitions from one part of your speech to another, your presentation will appear jumpy at best or disorganised at worst. To help you, there are five simple techniques that you can use. [1]

1. Pauses. These are the fundamental punctuation marks of your presentation. Short pauses, medium pauses and long pauses equate to commas, periods (full stops), and paragraphs. When you use them well your audience understands the transition from one point to another.

2. Emphasis. When you emphasise a word or a sentence you signal a transition from one part of your presentation to another; from one point to its successor.

3. Lists. A listing of a few points can be a most effective way to move from one section of your presentation to another. You can outline the list briefly and then you can address each of the list points in turn. Each section is neatly partitioned by its place in the list. Do remember to take care, though, with PowerPoint bullet lists – they should not be used too liberally, if at all.

4. Repetition. When you repeat a word or a sentence you add emphasis to its position in your speech. You signal its importance for your audience and you manage the progression from one point to the other.

5. Questions. You should try to use a rhetorical question to mark a transition in your presentation. You might begin your presentation with a brief outline of your subject or its context. And you might then follow with a rhetorical question or questions that get to the critical substance that you want to address. Your answers to your own questions add up to the main points of your presentation.

When you focus on the key transition from one section of your presentation to the next you can achieve a smooth delivery style. Your audience will appreciate the effort that you take in marking out the important points, signposting your argument and signaling the key stages.

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

4.2.2. Speech delivery styles

When you create a speech, don' forget, which are the differences between written and orally communication. An oral style is more personal, repetitive and less formal. The public speakers' language should be like a language of a skilled conversationalist.

Anyway the speakers creating a speech can choose from four general styles of delivery:

– manuscript speech – a speech read from a script,

– memorized speech – a manuscript speech committed to memory,

– impromptu speech – a speech delivered spontaneously,

– extemporaneous speech – a speech that is delivered after careful rehearsal.

Before creating a speech is useful to consider the occasion, if possible to analyse the audience, to narrow the topic and to clarify the purpose. Speakers like audiences whose attention is divided between reading and listening, are also struggling to do two things at once. As if establishing good rapport were not challenging enough in itself, speakers also have to be confident (and competent) enough to manipulate electronic projection equipment at the same time as they are speaking. And, just as audiences are not sure whether to focus on the speaker or the screen, speakers have to decide how to master to look at the audience and in opposite direction to screen and back again.

4.2.3. Ways of putting information over to an audience

What to do? To read the presentation, to memorise and talk "free", to talk free after good preparation and practicing or to talk free by using as support notes or find a good mixture: to make a PowerPoint presentation with limited numbers of slides, of words and details, where the slides (all visual aids) and other support tools have to illustrate and/or help to understand the talk.

A presentation/a speech is more persuasive and more interesting if the body of the talk presents information in a variety of ways. Simple talk-and-listen is only one way to convey information and perhaps not always the best.

There are seven different ways in which we can put things over to an audience:

– The written word: handouts; overheads; leaflets

– Sound: discussion; voices; quotes; music

– Pictures: visual aids; video; diagrams;

– Touch: feeling textures; handling products

– Intrapersonal: reflection and time to think

– Numerical: statistics; prices; sums

– Interpersonal: questions and answers

Subchapter 4.3. Choosing the presentation structure

4.3.1. Organization of the speech

"The success of your presentation will be judged not by the knowledge you send but what the listeners receive."

Lilly Walters

Presenters know, they have to organize their speeches because receivers learn more from organized speeches than from disorganized ones. Without good organization the message of a speech remains fuzzy and hard to follow. That is why organization is one of the main challenges for public speakers. The goal of it is to facilitate communication with the audience.

The presenter has to develop a plan for his speech and create a coherent structure of the presentation. This will not only help the audience to follow his thoughts and arguments, but will also make it easier for the speaker to stay on track and say the things he wants to say – all of which applies to every kind of speech or presentation, whether in political, business, social or any other settings.

Since listeners rarely interrupt speakers during a speech to seek clarification, and because they do not usually have access to transcripts of presentations, speakers need to organize the ideas of their speeches so that receivers comprehend them the first time they hear them.

Not everyone is a skilled listener. For this reason, the organization should be based on the principle of redundancy: *tell them; and then tell them what you told them*'. Only if this is done will listener be able to follow the presentation easily.

One of the best ways to organize a speech is the introduction-body-conclusion format, called speech framework because it provides a frame, on which any speech or other formal presentation can be built. Introductory remarks and concluding statements should each take up approximately 10 to 15 percent of the total presentation. That leaves 70 to 80 percent of the time for developing the ideas contained in the body of the presentation.

4.3.2. Creating a structure 1

A glance at almost any written document, whether a book, newspaper, letter or project proposal, is usually enough for us to get an initial understanding of its overall structure. Chapters, headlines, headings, paragraphs and lists of contents all help us to anticipate how the text is organised, and perhaps which sections to read carefully and which ones to skip. Audiences too can make better sense of a presentation if they are clear from the start about what it is going to cover, and the order in which the different items will be dealt with.

The most frequently proposed format – introduction, main body and a summary, but experience suggests that, from an audience point of view, there are advantages in dividing presentations into a five-part structure, in which the introductory and concluding sections are divided into two:

– Pre-introduction

– Introduction

– Main body

– Summary

– Conclusion

The pre-introduction

In any event, it usually takes a few moments for the audience to adapt to a new speaker, so the danger of launching straight into the introduction is that not everyone will have settled down enough to take it in. And, if they miss crucial information about the structure of what's to come, they may find the talk more difficult to follow later on.

Right at the start, however, you can't rely on audiences to be completely focused on what you are saying. They may still be rattling coffee cups, or chatting between themselves at the point when you start.

An effective pre-introduction therefore involves saying something that has no other purpose than to catch the attention of the audience and set the mood for what follows.

4.3.3. Creating a structure 2

Introduction

Introduction is the opening part of a presentation where the presenter state his main massage, lists key points that he would like to talk about, or name a problem that needs to be solved. A good introduction should prepare the audience for the main part of the speech and answer the question ”What is in for the listeners and why should they care?”

Main body

Most of the time spent on preparation will be devoted to getting the main body together, and it is useful to bear in mind that the various sections themselves, and especially the longer and more important ones, can benefit from having beginnings, middles and endings. The use of signposts that point backwards to where we have been, and forwards to where we are going, not only helps the audience to keep on track, but also reminds the speaker to stick to the structure announced at the start.

There are several options for structuring the elements of the presentation in an organized manner.

Most common ones used during business speaking events include:

– Timeline – the main points are arranged in sequential order

– Culmination – the key points are delivered in an order of increasing importance

– Cause-effect – a problem is presented, a solution is suggested and benefits are given

– Complexity – the ideas are listed parting from a broad vision to specific details

Summary

Just as it is important for a presentation to get off to a good start, so too can the way it ends have a critical impact on the audience. The trouble is that speakers often find it difficult to draw things to a close.

Summary recaps the core message, the main points and states the main idea that has been mentioned throughout the presentation.

Conclusion/call to action

Conclusion is the closing punch line of the speech that leaves the audience with something to think about or empowers them to take specific action steps.

CHAPTER 5

Components of a successful speech

Chapter 5. Components of a successful speech

Subchapter 5.1. Storytelling, Body Language

5.1. Introduction

Many of us, if we could choose, would prefer to submit report rather than get up and convey the same information orally. And it is not only fear of public speaking that holds us back. Written word can be chosen with greater deliberation and care, arguments can be expressed in a sophisticated, complex manner. [1]

The presenter delivering a speech does not have the same amount of time to choose the words, but it can be more effective in expressing meaning of the message to the audience, because he can use besides the power of the spoken word the other available means of communication:

– Storytelling

– Body language

– Tone of voice

– Pauses

– Visual cues

Effective speech makers begin their speeches in different ways. They may relate an unusual fact, make a surprising statement, or cite shocking statistics. Sometimes they ask a question, compliment the audience, or refer to an occasion. Sometimes they rely on a story to capture their audience's attention. Audiences respond to stories about people. People might forget what you wore during the presentation or some of the charts and statistics, but they never forget the stories you told them.

[1] Nikitina, Arina (2017): *Successful Public Speaking.* 1st edition, free e-book at *bookboon.com* - https://bookboon.com/

Storytelling can be defined as a structure narrative account of real or imagined events that is widely used in public speaking as a medium for sharing, interpreting and offering the content of the story to the audience.

The best stories may involve true facts from your life; self-effacing humorous facts about your mistakes; success stories from famous people's life and so on. Don't forget not every story will grab your audience's attention.

There are a few important points that should be taken into consideration when choosing the right story:

– Always make your story relevant to the subject at hand

– Keep your stories simple and short

– Eliminate inconsequential detail

– Make sure the plot of the story involves a lesson that your listeners can relate to and benefit from

– Use appropriate body language

– Learn your stories by hart

Body Language

Body language is the non-verbal movements we make as a part of how we communicate, from waving hands to involuntary twitching of facial muscles. Our body language exhibits far more information about how we feel than it is possible to articulate verbally. All of the physical gestures we make are subconsciously interpreted by others. This can work for or against us depending on the kind of body language we use.

Still the majority of business speakers spend very little time thinking about their body language as they prepare a speech. This often proves to be a big mistake, as appropriate use of body language signals the speaker's confidence, helps us to say more in less time and increases understanding of what has been said.

Therefore, learning to use effective body language during our presentation as well as 'reading' the gestures and facial expressions of the listeners helps us to become a better public speaker.

As a public speaker we will always be expected to stand when addressing our audience. A posture should be: open, straight and relaxed. A speaker should not cross his hands or legs because the audience might perceive it as the unwillingness to communicate. Also, it's not professional to hide behind the podium, slides, or chairs. Slouch makes a presenter look worse, as well as weakens his voice. Moreover, it's difficult to keep eye contact when you don't stand straight. Constrained posture complicates a presenter's gestures and breathing.

The **gestures** we use when speaking in public may be purposeful, helping reinforce the content of our speech, or purposeless, detracting from our message. Avoid hand gestures that reveal anxiety, clutching notes, fiddling with our clothing, or hiding our hands in our pockets. We should practice speaking with our arms relaxed at our sides as it helps to convey our calm attitude, sincerity and openness.

The speaker, should be the first one to demonstrate his sympathy and interest in his audience and the best way to do it is by smiling **(facial expression)** and looking at his listeners as he talks.

Subchapter 5.2. Tone of voice, the power of pause

5.2.1. Tone of voice

Obviously, the voice is one of our main tools in speech making. To respond to your ideas the audience must first hear them.

Tone is a musical expression which includes tempo, pitch, timbre and emphasis. We usually refer to a person's range of speaking tones in the same way as we speak of the range of tones of a musical instrument.

Most English speakers have just two or three tones of the musical scale (some are monotone). The Welsh and West Highlanders of Scotland on the other hand use at least an octave and a half.

Speech is more interesting and enjoyable to listen to when we use a wide variety of tones. There are a number of ways we can adjust the way our voice sounds.

Here are ten of the most important for the presenter [1]:

1. volume: loud or quiet?
2. pace: quick or slow?
3. pitch: high or low?
4. articulation: clear or garbled?
5. resonance: deep or shallow?
6. tone: monotone or multi-tone?
7. phrasing: do we speak in phrases or in sentences?
8. pauses: are our pauses at natural stops?

[1] Garner, Eric (2012): *The A to Z of Presentations.* 1st edition. free e-book at *bookboon.com* - https://bookboon.com/

9. inflection: does our voice rise and fall with the sense of our words?

10. accents: is our accent natural or false?

Maintaining our voice at an appropriate volume is our responsibility. With regard to pitch, try not to fall into the monotone trap. We should use pitch to reflect the emotional content of our material, and we use it to create interest.

Voice volume and projection are the two means by which your message reaches everyone in the room. Good volume and projection are the result of using the breath. Some people speak on the inward breath which loses the voice in the intake of air; some on a held breath which creates tension.

The best way to speak and project is on the outward breath. If, when you breath in, you fill not just the lungs and chest but also the diaphragm (the area of the abdomen below the tummy), you will have the maximum exhaling breath with which to speak.

Always aim to project your voice to the back of the room, so that it hits and rebounds off the rear wall. This kind of voice projection comes as much from your mind as it does from your voice.

Pitch is the degree of acuteness in the voice. A low and slow pitch can indicate gravity; a high and fast pitch can indicate excitement.

Like volume and pitch, rate also communicate. Speaking too quickly or to slowly can impede understanding. Thus, respond to feedback from our audience and speed up or slow down your pace as appropriate.

5.2.2. The power of pause

A pause should be a planned and definite act and should not be filled with “ums”, “ers” and “basicallys” or a look of embarrassment.

Audiences appreciate pauses:

– It lets them catch up and helps them to think. It is a way of building interest and suspense.

– Pauses allow you time to collect your thoughts which are always just a little ahead of your words.

– Pauses are natural punctuation marks. If you are keeping pace with your audience, you know just how long to pause to keep them interested.

The great pianist Arthur Schnabel said: *“The notes I handle no better than many pianists. But the pauses between the notes...that’s where the art resides.”*

Accomplished speakers often use the power of pauses:

– to raise an impact of a remark

– bridge ideas

– underline the last thing that was said

– create anticipation for the next remark

– bring more humour and passion into the presentation

– give time for the listeners to absorb the information

– leave the room for reflection after questions

Most pauses used during public speaking can be divided in four main categories: short pauses, long pauses, pseudo pause, spontaneity pause. [2]

Short pauses that last from half-a-second to two seconds are mainly used for separating thoughts. Long pauses can last from three second to a couple of minutes and they are very powerful. They commend the audience attention by literally creating tension in the auditorium. Long pauses should be used only by experienced public speakers who feel comfortable talking in front of large groups of people. Otherwise, they may become unnerving both for the presenter and for the listeners. Pseudo pause's purpose is, just like a regular pause, to bring people back to what is being said. Spontaneity pause is used when the speaker is searching for the right word or pretending to reflect on something.

[2] Nikitina, Arina (2017): *Successful Public Speaking.* 1st edition, free e-book at *bookboon.com* - https://bookboon.com/

Subchapter 5.3. Visual aids

5.3.1. Introduction

Visualization is a familiar technique to some. In case it's new to you, here's how you can apply it to your presentation.

It's about picturing yourself going through the steps towards success. Sit quietly the day before you're due to present and imagine yourself, in vivid detail, being introduced, walking to the front and delivering your first sentences. Try to make it as vivid as possible in your mind: the clothes you'll be wearing, the room you'll be in, some individuals who will be in the audience. Think about the best moments of your speech and how you'll deliver them.

Finally, visualize the end of the presentation. Your last slide comes up; you give a clear and succinct summary of your message; and you thank the audience. They clap, you take the applause, and you walk off, satisfied.

It's perhaps strange to think that playing it through in the mind can help in reality. But for some reason, it just works.

5.3.2. Designing visual aids

There are many different rules for designing visual aids, some of which will apply directly to different kinds of equipment. In general, sticking to the following guidelines will produce high quality visual images:

– use one simple idea for each visual;

– make the text and diagrams clear and readable;

– avoid cluttering the image;

– keep your images consistent (use the same font, titles, lay out etc. for each image);

– make sure your images are of a high quality (check for spelling and other errors).

Always remember that an audience should be able to understand a visual image in a matter of seconds. Your visual aids should be clear and concise, providing a stimulating addition to your spoken word.

Visual aids can be a very powerful tool to enhance the impact of your presentations. Words and images presented in different formats can appeal directly to your audience's imagination, adding power to your spoken words.

Think of using visual aids for the following reasons:

– if they will save words - *don't describe your results - show them;*

– if their impact would be greater than the spoken word - *don't describe an image - show it.*

Think about using a variety of different visual images. Try using photographs, tables, diagrams, charts, drawings, key words, or video sequences. Be creative and deliberate in your choice of images to achieve the most impact.

5.3.3. When to use visual aids?

Words and images can be used throughout your presentation from the introduction to the conclusion. However, remember to restrict their use to key moments in your presentation; an overuse of visual aids can be hard to follow.

Think about using visual aids at the following times:

Introduction:

– display the title of your presentation;

– define particular technical terms or units;

– indicate a structure to your presentation by listing your main points;

– display an image which encapsulates your theme(s);

– highlight a question you intend answering during the course of your presentation.

Main points:

– highlight new points with an appropriate image or phrase;

– support technical information with clearly displayed data;

– indicate sequence by linking points together;

– offer evidence from your research to support your argument.

Conclusion:

– summarize your main points on a slide;

– present your conclusion in a succinct phrase or image;

– display your key references to allow your audience to read more on your topic.

Visual aids are powerful. They can be the icing on your cake or the rain on your parade. To ensure visual aids are not undermining your presentation, use words sparingly and find fresh graphics. Even have the courage to present without, if your visual aids are not truly aiding you.

CHAPTER 6

The use of PowerPoint

Chapter 6. The use of PowerPoint

Subchapter 6.1. The standard model of presentation

6.1.1. Introduction

Use of presentation media may be especially effective for audience members who have access and functional needs because it allows them to use multiple senses to take in the information. It is important to use presentation media effectively so they enhance rather than detract from your presentation.

PowerPoint gets a bad press: the common phrase. I believe the problem lies not with the tool itself, but rather in what presenters do with it. Note the word 'tool'. A piece of software does not make a presentation; it only provides a tool for you to deliver your message. You can choose to use it as you will. And probably, you'll want to avoid the top mistakes made in making PowerPoint presentations.

We've all seen it. Animation for non-epileptics; bullet-points for detail addicts; 200 word quotes that fill the slide; charts with hundreds of numbers, requiring binoculars from the second row back; and the 57 slide presentation for a 15 minute slot, that has the presenter saying after 30 minutes, "Time is tight, I'll skip this one." *(Hmm, why is it there if you could skip it…?) [1]*

For those who have a strong aversion to PowerPoint, or are looking to make an especially creative presentation, you can choose some clever alternatives. A series of handwritten flip-charts can be a very powerful way of communicating, especially if you hang them up around the room before everyone arrives. This enables the audience to see the whole story and refer backwards and forwards to your logic, as well as the conclusion.

Another method to try out is Prezi.com. It's a creative online tool that helps you get more of an overview-oriented message across. If your area is sales, try Clearslide.com, which is especially good for sales pitches.

[1] Effective communication (Is-242b). Lesson 4. https://training.fema.gov/is/courseoverview.aspx?code=is-242.b

6.1.2. The (Industry) Standard Model of Presentation

There are many different types of visual aids. The following advice will help you make the most of PowerPoint (or equivalent) tool.

Microsoft PowerPoint is probably now the most commonly used form of visual aid. Used well, it can really help you in your presentation; used badly, however, it can have the opposite effect. The general principles are [2]:

Dos	Don’ts
use a big enough font (minimum 20pt)	make it so small you can’t read it
keep the background simple	use a fussy background image
use animations when appropriate	but don’t over-do the animation – it gets distracting
make things visual	use endless slides of bulleted lists that all look the same

Overhead projector slides/transparencies are displayed on the overhead projector (OHP) — a very useful tool found in most lecture and seminar rooms. The OHP projects and enlarges your slides onto a screen or wall without requiring the lights to be dimmed.

You can produce your slides in three ways:

– pre-prepared slides: these can be words or images either hand written/drawn or produced on a computer;

– spontaneously produced slides: these can be written as you speak to illustrate your points or to record comments from the audience;

– a mixture of each: try adding to pre-prepared slides when making your presentation to show movement, highlight change or signal detailed interrelationships.

[2] https://ddceutkal.ac.in/Syllabus/MA_English/Paper_21.pdf

Make sure that the text on your slides is large enough to be read from the back of the room. A useful rule of thumb is to use 18point text if you are producing slides with text on a computer. This should also help reduce the amount of information on each slide. Avoid giving your audience too much text or overly complicated diagrams to read as this limits their ability to listen. Try to avoid lists of abstract words as these can be misleading or uninformative.

PowerPoint as medium as known has its problems, but it is possible to solve them by being more selective with the many choices the PowerPoint provides. Here are some of it [3]:

– Don't forget your main roles: to motivate, to impress, to persuade or/and to inform the audience. If the software gets in the way of your main role, you should not use it.

– PowerPoint will always default to selected font and font size, but you can change it.

– The colour of slides can hinder the readability of your PowerPoint slides. Use dark text colours (black, blue) out of white background if you can.

– Too many lists, bullet points or words create problem for your audience.

– You have to show how you reach a conclusion but you don't need to show all the data available.

– Images and video should support your speech, use it in your PowerPoint presentation, when you have an opportunity.

– Charts and graphs are key to many presentations, remember to keep them big, without destructing detail.

– Don't read from the slides. Reading from the screen ensures that you don't know your own material and you don't have eye contact with the audience.

– Use only one word where two might do. You must edit your material.

– Reference the points on the slides, you use slides for a purpose to summarize your main points or to illustrate them.

– Use the black slide technique. Naturally your audience switches their attention to you.

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

Subchapter 6.2. Master PowerPoint

6.2.1. Experts Graham Comm's 12 Rules for PowerPoint Mastery [1]

PowerPoint can be a tremendous addition to your presentation. It can also, cause the wheels to fall off your talk and strongly encourage the meeting planner to never invite you back.

The most important thing to remember when using PowerPoint – or any visual aid – is that YOU are the presentation. The reason that most PowerPoint presentations go awry is that the speaker relies too heavily on his slides. He never connects with his audience, doesn't include them in his presentation and insults the attendees by reading to them what they could have read in the comfort of their own offices.

Before you set foot in the presentation room, look at each slide you have prepared and ask yourself these two critical questions:
"Do I REALLY need to include this slide?" "How can I simplify it or make it better?"

Next, to save you from committing the sins above and to empower you to deliver an interesting and effective PowerPoint-based talk, follow the 12 rules below:

1. Use your slides as a complement to you, not the other way around. Remember that You are the presentation.

2. Keep your slides simple, intriguing and readable at a glance (the more visual, the better). Cartoons work great.

3. Use the 6x6 Rule: No more than 6 lines with 6 words per line.

4. Plug your computer in. Don't count on your battery being charged.

5. Disable your screen saver and wireless connection. There's nothing worse than an inappropriate instant message, pop-up ad or R-rated photo appearing in the middle of your talk.

[1] The PowerPoint Rules by Robert Graham. http://www.graham-comm.net/articles_09.html In: The Experts Teach: Presentation Skills.1st edition, ManageTrainLearn &, 2014, bookboon.com

6. Speak to people's eyes, not the visual. Avoid the tendency to speak to the screen, your notes or your laptop. Your main objective is to connect with the people in your audience – NOT overload them with content.

7. Pause (stop speaking) to let your listeners digest each slide. Don't fight for your audience's attention. When they are done reading your slide, they'll look back at you and you can resume speaking.

8. Bring backups and hard copies, because things always go wrong.

9. Email my presentation to the meeting planner.

10. Bring my own laptop with the presentation loaded.

11. Bring a backed-up copy on a flash card.

12. Bring hard copies of the slides.

Embrace The "B Key." This could be the big take-away from this article, so pay attention. There are times when you no longer need the slide that is showing (when someone asks a question, during an aside, when telling a story, or otherwise addressing a topic unrelated to the slide). This is a great time to black out the screen so that the attention once again is on you. Hit the B key on your keyboard, and your screen will magically go black. When you are done, touch B again, and the slide will reappear. Or hit return, and it will go on to the next slide.

Practice using your slides. Go through your talk – out loud – and know what you are going to say for each bullet or slide. Under the "Slide Show" tab, there are tools that allow you to time your talk while practicing and view the upcoming slides. Practice your talk out loud several times before ever showing it to an audience.

PowerPoint Exercises

Try giving your next talk without any slides. Just try it and see how much better you connect with your audience and how grateful people are to not have to watch another boring presentation. The next time you do use PowerPoint in a presentation, spend as little time on the visuals as possible, and as much as you can talking with your audience. Black the screen out three times using the B key and watch the impact you will make.

The most important thing about using PowerPoint is to keep in mind the reason it is called a "visual aid." It can be a tremendous complement to your presentation if you follow the rules above.

Subchapter 6.3. The PowerPoint polka

6.3.1. Less PowerPoint, more presenter

Audiences are demanding change. Presenters are returning to the centre of the room. They're using the screen *only* when it can illustrate a specific point. Between times, they turn it off.

You can do it in two different ways:

– *The B button (We talked about in the subchapter II.).* The first is surely the simplest tool built into PowerPoint. On your keyboard, 'B' stands for black. Press it once and the screen goes black, press again and the picture returns. Use it when the topic strays from what's on the screen. Most people don't know about the B button because they're not used to turning PowerPoint off.

– *The black slide.* Make your number one slide black (with one tiny identifying mark that only you will notice). This is your PowerPoint sleep mode and you'll return to it whenever you want nothing on the screen.

It can be recommended to choose between two ways of starting a presentation:

(1) with the title slide up, or

(2) with a blank screen.

Audiences overwhelmingly choose the second. If you must have a title slide, show it as people come into the room, then lose it before your first words. Or, show it in silence for a few seconds, go to a black slide, then introduce yourself.

Shortly we're going to look at how you move your body when you use electronic visual aids.

6.3.2. How to stand and move when you use a large screen

Don't treat this lightly. What you'll read in this section will save your audiences from death (by PowerPoint) of attention. They'll come to you afterwards and say, Hey, your PowerPoint didn't annoy us. What are you doing, exactly? [1]

First, the difference from normal visual aids is in the size of the screen. You have to move well away from it so everyone can see. But if you're still pointing your body at the audience, you're sending the message *look at me.* So where are they to look? At you, or the screen? That's visual ambiguity and the eyes start glazing immediately. The solution is a sequence of moves that removes all ambiguity.

One you get used to the moves, they takes place usually in less than 10 seconds. But it takes practice.

Pre-announce the slide. "So, let's look at…" (Yes, that's before anything appears on the screen. Get your prompts from your own presentation notes.) There's nothing on the screen yet, so you're still directly in front of the audience, facing them.

Move briskly to the keyboard. Punch in the correct slide number (then press ENTER) and *move your head swiftly to look at the screen with the audience.* This is all one flowing movement. The brisk body movement maintains interest. The swift head movement tells them to shift their eyes from you to the screen.

Look at the screen with the audience **in silence** *as you move into your slide-show position.* The silence is essential. You know the slide, but the audience doesn't and they don't want to hear from you until they've absorbed its essence (but not its detail). How long? It depends on the slide. Typically, it's two or three seconds, but judge it by putting yourself in their shoes.

Adopt the slide-show foot position – feet pointing half way between the screen and the centre of the audience. The foot position is critical. Even if you're behind a lectern, the twist in your upper body as you speak tells the audience to keep looking at the screen rather than you.

Turn to audience to begin talking – with feet still in the slide-show position. Keep talking to the audience with regular glances at the screen to keep re-enforcing that the screen is the visual target.

And yes, for projector screens – when you're in this position – it's okay to keep talking while glancing at the screen.

[1]Dougles Brown, Michael (2018): *How to Connect with Any Audience: The Engaging Presenter.* Part II, 1st edition, free e-book at book-boon.com - *https://book-boon.com*

And when you've finished talking about the slide? Blank the screen (the black slide) and return to the front of the audience. It is simple, but it does take practice to get familiar with the moves. Get a few colleagues together and experiment with it.

Some other advices:

– If you continue to stand to one side when the screen is blank, your body is telling the audience that PowerPoint is in charge, not you. You lose credibility.

– Make a pause, when visual changes happen. Eighty per cent of us are more influenced by the visual sense than any other. Even a subtle change to a single screened word – say a brightening of colour – needs a slight pause.

– Do jump directly to any slide, forward or back. We've all seen the horrible opposite. Slide 43 is on the screen and someone asks to see that 2nd slide again. So the presenter grinds us back through every slide, including all the animations. It's a visual assault. Here's the solution: You want to go back to slide 2? Press 2 then enter. Want to return to slide 43? Press 43 and enter. It doesn't get simpler than that.

CHAPTER 7

Presentation skills

Chapter 7. Presentation skills

Subchapter 7.1. Master the Point, Turn and, Talk Presenting Technique

Typified by the ever present PowerPoint^{TM} slide deck the modern business presentation can be an exhausting affair for both speaker and audience. Barraged by information overload an exhausted audience is in no position to listen, participate in or understand your presentation.

But without labouring further the problems of PowerPoint^{TM} or citing its many advantages there are some essential techniques with which you can improve your own performance. Your control over the images and text projected on to the screen give you a mastery that is too often overlooked.

You should recognize the following scenario. Your speaker starts their talk, looks down at their notebook, looks across to the screen seeking inspiration and then, fleetingly, looks at the audience. In looking at the screen the speaker has made no reference to his or her content. And the speaker has missed two opportunities.

By not referencing the content on the projection screen your speaker missed an opportunity to demonstrate subject knowledge and expertise. And your speaker missed the opportunity to ensure that the audience was listening, participating and understanding. The scenario is not uncommon. It is repeated every day in offices across the continents. And it makes you ask: is there a link between the presenter's words and their slide deck? Well there is a link and it is of vital importance.

But the link is often lost with busy and complex slides that neither reinforce nor support the speaker's words. And it is essential that they do either one or both functions. A slide deck that performs neither is wasted work.

A better plan might include [1]:

– Build less busy slides with less text and fewer bullet points.

– Make one main point for each slide.

– Use the picture and graphing components in PowerPoint™ to greater effect.

– Use the build function within the PowerPoint™ package.

– Learn the material and practice.

– Develop a familiarity with the subject.

But the plan is incomplete without some technique that can also be used. It's a technique that should be familiar from your school days – though it was a case of chalk and blackboard in my days – and it's easily learned.

The technique is used to reference the contents of the slide deck projected onto the screen. The justification for its use is simple. Surely, if the slide content merits its display then it also merits both reference and explanation. And explanation is essential as you look for the slide content to support and reinforce your own words.

The technique involves:

– Speak

– Pause

– Point at the content – using a pointer or your arm

– Turn to look at the audience

– Talk – and explain

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

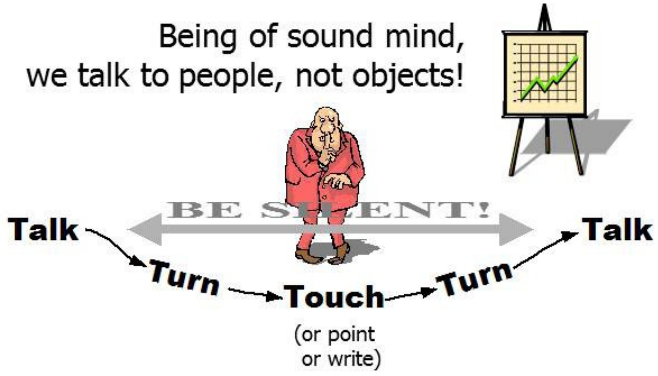
This overlooked technique – point, turn & talk – gives you the chance to reinforce eye contact with the audience. As you establish eye contact with the audience you project your knowledge of the subject, you build participation and, importantly, you develop understanding.

Understanding is greatly improved since eye contact allows us to gauge the clarity of your words and be alert to puzzled expressions in the audience. Coupled with clearer and less busy slide content this effective technique is invaluable for the typical business PowerPoint™ presentation.

If you went down the street speaking to cars, mailboxes and fence posts, you would soon be talking to a policeman, or to sincere individuals in white coats. So, when we're in front of an audience and need good human contact, why do we talk to whiteboards, flip charts, and our own presentation notes? Many talk to their presentation notes even when they're not picking up useful information from it!

How not to speak to our presentation notes? See the answer below visualized and explained.

Figure 1. The point, turn & talk technique [2]



[2]Dougles Brown, Michael (2018): *How to Connect with Any Audience: The Engaging Presenter.* Part II, 1st edition,
free e-book at book-boon.com - *https://book-boon.com*

1. Talk only while your eyes are engaged to the eyes of the audience. Start turning your body to the whiteboard while your head and eyes stay on the audience for the last words. Don't send the words to the wall or window on the turn.

2. Stay silent while you touch, point or write. It's okay to do this even in the middle of a sentence, as long as the silence is relatively brief.

3. Turn your head and eyes quickly back to the audience. Start talking only when your eyes have re-engaged with audience eyes. Let your body catch up to your head in its own time – the fluidity stops you looking like a robot.

Your job is not to get out the facts, but to engage the facts to your audience. A vital part of that is your relaxed silence when your eyes are not on them.

Subchapter 7.2. Masterful Presentation Time

7.2.1. Introduction

Depending on the purpose of the presentation and the type of content covered, a presenter could have anywhere from 2 minutes to 2 hours or more. Despite the amount of time a presenter may have, he or she must track their presentation time accurately. The worst mistake a presenter can make is keep his or her audience over the allotted presentation time. That's why we've gathered a list of 3 tips to effectively managing your presentation time:

1. *Energy management vs. time management*

In recent years, there has been a shift away from preaching time management to focusing on energy management. What does this mean? Let's say you are a night person – night time is your right time to garner optimum productivity levels. But, you trick yourself into believing that you must wake up early to manage your daytime better. Be real with yourself. You aren't going to magically have more energy in the morning to complete your tasks. Instead, assess when your energy levels are at their height and operate your work life within those time periods. In terms of presenting slides, keep track of which stages of your presentation you feel most energized within and expend your energy there.

2. *Treat yourself like a stranger*

Do you think you can easily complete your presentation in 2 days? Do you find yourself overestimating your capabilities when it comes to completing your deck and finishing your presentation within the time allotted? Take an outside view of the situation. Pretend that a stranger is tasked with hitting 3 important points or messages in a 20-minute presentation. How long do you think it would take you to cover point #1? Now, disregard your answer. How long will it take for *that stranger* to cover point #1? Ok, you'll probably obtain a more realistic response to that question. Treat yourself like a stranger in order to accurately assess how you would maximize your presentation time.

3. Look at the whole, not the parts

According to the Harvard Business Review article titled "Time Management Training Doesn't Work," the modern day workplace functions on training that provides *"clarity around role priorities rather than specific task priorities."* When applied to presentation, this means emphasizing those high-level elements of your message versus the granular details that may not matter – especially depending on the amount of time you have to give your talk. In situations where you are pressed for time, inspect your overall message versus the distinct sections. These are just a few ways you can effectively manage your presentation time.

7.2.2. Keeping the allotted presentation time

One of the major problems experienced by presenters involves the time; not enough time, too much time and running out of time. The difficulty is that when time becomes a problem you suffer – and sometimes you go to pieces. Presentation timing problems cause anxiety and stress for a presenter. You end up giving the wrong impression to the presentation audience and you need to fix the problem. There are five key planning steps that you have to consider for any presentation [1]:

– Time to plan. As a presenter you are responsible for being at an event and making a presentation at the right time, on the right day and on the right subject. That's something you can do with planning. You have a lead time before the event in which to do your research, prepare your content, build outlines, consider themes and share notes with the organizer. And you have to be ready and rehearsed on the day at the appointed time.

– Plan to time. You are ultimately responsible for sound timekeeping. Whether it's a Board room presentation, a sales pitch, a PowerPointTM presentation or a conference room address you owe it to the organizers and the audience to start and finish on time. This shouldn't be a problem. You have already rehearsed, and dress rehearsed.

– Run to time. Actually running to time can be a different matter. But you are familiar with the subject and your built-in outline should keep us to time. You aim to stick to the outline, to stick to the stories you had planned to tell and stick firmly to the major presentation points. Your breathing and pausing techniques must be followed – and you can finish to time.

– Planning quick time. The challenge is typically when you start your presentation late because of an untoward delay earlier in the event. If an earlier speaker over runs his allotted time or if the Board room discussion goes on longer than planned. In such circumstances you have to speak with the organizers very smartly. You have to know your options. Will lunch be delayed by 15 minutes if you stick to time? Should you run for 25 minutes and not the planned 40 minutes? Does the organizer want us to make up time? All of these scenarios should be considered. And if the organizer wants you to save some time, then

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

you have to be prepared to do so – without sacrificing the core purpose of your presentation. It's a raw situation. But it's a situation that is very common. Your content editing skills might need to be used very quickly – you should be ready to drop some material in the middle. Your beginning and conclusion should not be touched.

– Tangent time. As a last note you have to consider the potential scenario where the organizer asks you to fill a conference agenda for longer than initially planned. This might not seem as hard as it first appears – because you should always plan for tangent time. This is the time that you feel can be given over to explore some content in more detail if you sense that the audience requires it. If your content is clearly working with the audience, you might have the opportunity to go into more detail than you had previously anticipated. So with your prior investment in tangent time material (stories, anecdotes and sub-points) you should be able to work this into your main presentation – thus meeting the organizer's needs.

Presentation timing does not need to be a problem. And it certainly should not impact your professional performance as a speaker. You have the time to plan and you use the time wisely. You know the time slot available and you plan to fill it. Your rehearsal techniques ensure that you do run to time and finish when you should. Your planning and preparation mean that you are ready if asked for a shorter presentation – and you can achieve that politely and professionally. And finally your investment in research means that you have the material to extend your presentation should that be needed. A presenter's time is there to be managed – you just have to do it.

Subchapter 7.3. How you can master rhetorical devices

When it comes to organising your presentations there really is a lot more to the planning process than the PowerPointTM palette. On its own a PowerPointTM slide deck will not organize your talk for maximum audience engagement. It will not, on its own, enable an audience to follow the flow and momentum of a presentation. Instead you can rely on a set of well-used presentation techniques for keeping your audience engaged.

Here are the top ten techniques that you have available [1]:

Tell them technique. Many presenters rate the effectiveness of the Tell them technique. It has 3 main components. The first stage involves us telling your audience what you are about to tell them, the second phase has us telling the audience and the third and final stage involves us telling the audience what you have just told them. Simple indeed. Effectively it's a repetition technique and something that has echoes in many other rhetorical devices.

Stepping stone or way marker technique. Once you have prepared the working objectives for your presentation it should be very easy to use this technique. It involves us plotting stepping stones or markers that readily identify where you are in a presentation. Your main presentation points are plotted at the beginning and the end of your presentation structure. Your two lesser points are then plotted between them – effectively bridging the two main points. By following the logical steps you reach the conclusion.

Acrostic technique. This sounds painful but is in fact very easy to prepare. It is a technique, used by many speakers, that dates back millennia – certainly to the ancient Greeks. Using what is essentially a word puzzle the speaker employs a technique for spelling out the theme of a presentation plus its major defining points. Using either the first, middle, last or consecutive letters of a word in a line allows the speaker to spell out a major theme. Here is an example from a quality management presentation:

[1] Ivey, Andrew (2010): *Perfect Presentations. How You Can Master the Art of Successful Presenting.* 1st edition. *free e-book at bookboon.com* - https://bookboon.com/

Ethos

– E – Excellence

– Th – Thoroughness

– O– Openness

– S – Success

It is a very powerful technique that has great value for subsequent audience recall.

Anecdote and story technique. Who can deny the power of New Testament parables or the fables of Aesop? Stories have been used throughout history to commend a course of action or explanation. And today is no different. Yes, they are most appropriate for presentations with a moral foundation but they are equally at home in presentations dedicated to customer service, loyalty and team work. The short management text, *"Gung Ho!"*, by Ken Blanchard and Sheldon Bowles is a collection of such stories.

Problem, cause, solution technique. This technique could be paraphrased as the what, so what, now what technique. It enables the speaker to map out a problem that is well known to the audience, detail its causes and then expound on a solution. Exploring the underlying causes of a problem gives room for sub-points. A variant might include a set of competing solutions to the problem, an appraisal of their relative strengths and a conclusion with a best-fit proposal.

Analogy technique. With an analogy you use something that is familiar to your audience to either drape over the unfamiliar or support the evidence of the unfamiliar. For an audience of telecoms executives you might reference the business of customer service to that of a mobile handset. Where you have signal strength you need trained staff; where you have a lithium polymer battery you need motivated people and where you have clear screen technology you need staff incentives…and so on. The analogy gives you the opportunity to paint a well known familiar picture to which you hook some less known points. You leave it to your audience to make the obvious associations.

Logical technique – dilemma. Logical structures are the rhetorical devices of old. Long taught and much admired, there is a tendency to overlook them because of their familiarity – not least because of their use in courtroom drama. With the dilemma technique you supply logical, reasoned proof that an alternative viewpoint or proposition is invalid. Today it might be labeled evidence-based policy/ practice.

Logical technique – deductive logic. Here you make two proposals or statements; one is primary and the other is secondary. Each statement has a common element. You then make a third statement that can be logically implied by the other two statements.

Here is an example:

1. All managers have hidden talents.
2. You are a manager.
3. Therefore you have hidden talents.

It is a powerful device that is easily followed by an audience.

Logical technique – inductive logic. With this technique you can arrive at a generalisation – a broad conclusion. Less finite than deductive logic, it allows us to make a series of observations with shared circumstances, and then propose a conclusion.

Here is an example:

1. This manager can present well.
2. Steve, the HR manager, is a good presenter.
3. My manager, John, is a good presenter.
4. All your managers are good presenters.

The inductive reasoning technique is inherently less robust than deductive reasoning and is best used when you have shared circumstances or employment with your audience – the same enterprise, division or team.

Logical technique – analogy. You use this technique when you cite an example or case study with seemingly identical characteristics to the subject matter. You make the suggestion that if the case study has the same characteristics then it is logical to suggest that it shares identical causes or fundamentals with the main subject; identical characteristics equate to identical beginnings. It is a well used approach that works well – but take care when selecting the analogy.

These top ten techniques are invaluable aids for organising more effective presentations. They are well used but not outdated. They can support contemporary events and circumstances. They are useful regardless of the scale of the speaking event. And, importantly, they are equally valid for the range of speaking opportunities you face – board room, conferences, seminars or hospitality events. In short they are essential tools for effective speakers.

CHAPTER 8

About Business Communication in General

Chapter 8. The Nature of Negotiation

Subchapter 8.1. Know what negotiation is and what negotiation isn't

8.1.1. Introduction

Life is negotiation. [1] Negotiation serves two distinct, vital life functions:

– information gathering and behaviour influencing, and

– includes any interaction where each party wants something from the other side.

Negotiation is nothing more than communication with results. Getting what you want out of life is all about getting what you want from. – and with – other people. Conflict between two parties is inevitable in all relationships. So it's useful – crucial, even – to know how to engage in that conflict to get what you want without inflicting damage.

Your career, your finances, your reputation, your love life, even the fate of your kids – at some point all of these hinge on your ability to negotiate.

Negotiation can be urgent, essential, and even beautiful. When we embrace negotiating's transformative possibilities, we learn how to get what we want and how to move others to a better place.

Negotiation is the heart of collaboration. It is what makes conflict potentially meaningful and productive for all parties. It can change your life.

[1] Voss, Chiris–Raz, Tahl (2020): *Never split the difference. Negotiating as if your life depended on it.* Harper Business, HarperCollins Publishers.

8.1.2. What is negotiation

Negotiation is the means by which people deal with their differences. Whether those differences involve the purchase of a new automobile, a labour contract dispute, the terms of a sale, complex alliance between two companies, or a peace accord between warring nations, resolutions are typically sought through negotiations. To negotiate is to seek mutual agreement through dialogue.

People negotiate all the time. Friends negotiate to decide where to have dinner. Children negotiate to decide which television program to watch. Businesses negotiate to purchase materials and to sell their products. Lawyers negotiate to settle legal claims before they go to court. The police negotiate with terrorists to free hostages. Nations negotiate to open their borders to free trade. Negotiation is not a process reserved only for the skilled diplomat, top salesperson, or ardent advocate for an organized lobby; it is something that everyone does, almost daily. Sometimes people negotiate for major thing like a new job, other times for relatively minor things, such as who will wash the dishes.

Business negotiation may be a formal affair that takes place across the proverbial bargaining table, in which you haggle over price and performance or the complex terms of a partnership venture. Alternatively, it may be much less formal, such as a meeting between you and several fellow employees whose collaboration is needed to get a job done. If you are a supervisor, manager, or executive, you probably spend a good part of your day negotiating with people inside or outside your organization, often without even realizing it. Whether you are clothing a sale or getting a subordinate to agree to certain performance goals, you are negotiating.

So, negotiations occur for several reasons:

1. to agree on how to share or divide a limited resource, such as land, or property, or time
2. to create something new that neither party could do on his or her own, or
3. to resolve a problem or dispute between the parties.

Sometimes people fail to negotiate because they do not recognize that they are in a negotiation situation. By choosing options other than negotiation, they may fail to achieve their goals, get what they need, or manage their problems as smoothly as they might like to. People may also recognize the need for negotiation but do poorly because they misunderstand the process and do not have good negotiating skills.

8.1.3. What isn't negotiation

Negotiation is not selling. The simple test is the way buyer and seller relate to each other. In the selling phase, one person is persuading, the other is being persuaded. In true negotiation, the attitude of both is the same – both want to reach agreement. The question is no longer whether to buy or not. The question becomes, 'On what terms can I buy or sell?' Negotiation assumes that there is already an established desire to buy and an ability to supply. The whole emphasis moves towards profit implications and specific terms or arrangements.

Salespeople frequently fail to realize when the role of seller changes to that of negotiator, and it costs them. I [2] asked scores of people for anecdotes on negotiation. Most of the salespeople struggled to find one. Many of them said, 'I do it intuitively.' When I questioned them in detail, the truth was that they did not recognize this transition from selling to negotiation. As a result, in every case they were not effective.

Negotiation is not 'giving in' or conceding. Concession can imply surrender on another person's terms. If we view negotiation as surrendering it will condition our thinking, our approach will be weak and our deals will not be effective. That does not mean we won't move in our negotiation – we will. But our movement must never be giving in or moving 'one way'.

Negotiation is not about digging our heels in. If we are inflexible we will be met by equal inflexibility. Showing our strength and wanting to appear tough are not the same as good negotiation. They can reflect our own insecurity and will either lead to immediate deadlock, or they will be exploited by our counterpart, and rightly so. Negotiation doesn't just relate to agreeing terms in the buying process, it can relate to a whole variety of issues such as disputed ownership or late/non-payment.

[2] Harvard Business Essentials. Negotiation, Boston/Massachusetts, Harvard Business School Press. 2003.

Subchapter 8.2. Types of Negotiation, Distributive Negotiation

8.2.1. Introduction

The essential characteristic that turns communication into negotiation is an *attempt to reach an agreement.* Because agreement between the parties involved is necessary to the success of almost any undertaking, negotiation is one of the commonest practical applications of communication skills. Negotiating skills are almost always needed at work, and they can also be needed in many family and social situations.

Because of its obvious importance, it should come as no surprise that a great deal has been written about negotiation. [1]

The need for negotiation is not always known in advance – in fact, it quite often strikes unexpectedly. Whether planned or not, the usual generalisation applies: everything you know, and everything you are, will probably be needed. However, in order to deploy those resources effectively, a clear and simple framework is essential – especially when, as is often the case, the negotiation process proves stressful. Various such frameworks exist.

Negotiation is basically a matter of finding a path to an agreement which, while rarely perfect for any one party, is acceptable to most or all of the parties involved. The subject matter could be literally anything, from arranging a lunch (or perhaps a wedding) through buying a car (or perhaps an airline), to avoiding a brawl (or perhaps a nuclear war).

8.2.2. Types of Negotiation

There are two primary kinds of negotiation. Chances are you have been involved in both at one time or another.

Distributive: A negotiation in which the parties compete over the distribution of a fixed sum of value. The key question in distributed negotiation is "Who will claim the most value?" In distributive negotiations, a gain by one side is made at the expense of the other.

Integrative: A negotiation in which the parties cooperate to achieve maximum benefits by integrating their interests into an agreement. These deals are about creating value and claiming it.

[1] Coates, Gordon (2009): *Notes on Communication. A few thoughts about the way we interact with the people we meet.* A free e-book from *www.wanterfall.com*

In the distributive negotiations (win/loose approach), each of the parties seeks maximum gains and therefore usually seeks to impose maximum losses on the other side. This approach often produces agreements' that are inherently unstable.

In the integrative (win/win approach) negotiations the prospects for both sides, gains are encouraging. Both sides attempt to reconcile their positions so that the result is an agreement under which both will benefit – therefore the resultant agreement tends to be stable. Win/win negotiations are characterized by open and empathetic communications and are commonly referred to as partnership agreements.

In real life negotiations both of these processes tend to be at work together. Therefore, rather than two negotiators adopting one or other of the approaches, negotiations tend to involve a tension between the two.

It should be apparent that where a long-term business relationship is involved that it is important to adopt a more integrative (win/win) approach to negotiations. The failure to work together with the other side in order to reach a mutually acceptable outcome is a common reason for the breakdown in many otherwise successful business relationships.

8.2.3. Distributive Negotiation

Some people refer to this type of negotiation as *zero-sum* or *constant-sum* negotiation. The term *win-lose* is probably more representative of what's involved.

Classic examples include the following:

– The sale of a carpet, where the buyer and the seller do not know one another. There is no relationship; all that matters is the price. And each side haggles for the best deal. Every gain by one party represents a loss to the other.

– Wage negotiations between business owners and their union employees. The owners know that any amount conceded to the union will come out of their own pockets – vice versa.

The seller's goal in a distributive deal is to negotiate as high a price as possible. A dollar more to one side is a dollar less to the other. There is a tug of war going on here. Each negotiator aims to "pull" the final deal point as close to his or her side's desired price as possible (or even beyond it).

Relationship and reputation mean little in this tug of war: The negotiators are not willing to trade value in the deal for value in their relationship with the other side.

Information plays an important role in this type of negotiation. The less the other side knows about your weaknesses and real preferences, and the more it knows about your bargaining strength, the better will be your position.

To achieve success in a distributive negotiation, remember the following:

– The first offer can become a strong psychological anchor point, one that sets the bargaining range. Studies show that negotiation outcomes often correlate with the first offer. So start at the right place.

– Do not disclose any significant information about your circumstances – including why you want to make a deal, your real interests or business constraints, your preferences among issues or options, or the point at which you'd walk away from the table. It is advantageous, however, to let the other side know that you have good options if this deal falls through.

– Information about the other side can benefit you. Learn as much as possible about the other side's circumstances and preferences – including why they want to make a deal, they real interests and business constraints, and their preferences among issues or options.

– Exploit what you learn about the other side in setting your first offer or demand.

– Don't overshoot. If you claim aggressively or greedily, the other side may walk away. You will have lost the opportunity to make a deal.

Subchapter 8.3. Types of Negotiation, Integrative Negotiation

8.3.1. Introduction

Negotiation is not always a win/lose process, in which each party attempts to obtain as much as possible of a scarce commodity, and the degree to which one party succeeds equals the degree to which another party fails. Especially when multiple issues are involved, differences in the desires of the various parties may make *win-win negotiation* possible. In other words, each party may be able get some, or even all, of its high-priority requirements, so that all parties benefit.

On the other hand, there is often plenty to lose in a negotiation. In many such cases, unfortunately, power is so unequally distributed between the parties involved, that one of them is almost certain to lose.

8.3.2. Types of negotiation

8.3.2.1. Integrative Negotiation

In an integrative negotiation, the parties cooperate to achieve maximum benefits by integrating their interests into an agreement while also competing to divide the value. In integrative negotiation you have to be good at both creating value and claiming it.

In integrative negotiation, your task is twofold: (1) to create as much value as possible for you and for the other side, and (2) to claim value for yourself. Many use the term win-win in referring to this type of arrangement. Unfortunately, that term implies that all parties get everything they want, which is rarely the case. More likely, each makes trade-offs to get the things they value most, while giving up other, less critical factors.

Sometimes, the two sides' interests do not compete at all. In this cases the task is to arrive at a deal that integrates their interests as efficiently as possible. The ability of one side to claim or win what it wants or needs in the deal does not necessarily detract from the other's ability to claim or win just as much. There is often many items or issues to be negotiated in an integrated negotiation – not simply price, delivery date, or any other single issue. Indeed opportunities for creativity abound.

Negotiation specialist Mark Gordon, who coined the term "collaborative bargaining" for this type of negotiation, said that the parties should look for creative options, and not focus on which concessions to make. "You have to believe that it's in your interest to look for ways to benefit your negotiating counterpart. Your goal is not to hurt them, but to help them at little cost to yourself – and have them help you at little cost to them. The more creative you are at coming up with things that are good for both of you the happier both of you will be." This creativity is only possible if both parties understand their own key interests and the key interests of the other side.

Many business negotiations are neither purely distributive nor purely integrative. Fisher, Ury, and Patton's popular book Getting to Yes supports this view. It shifted people's focus from I-win-you-lose situations to integrative negotiations, in which each party can claim satisfaction. Some have mistaken this to mean that everybody can get everything they want (win-win), which is not what the authors meant. They provide approaches both for creating value (focus on interests, not position; separate the people from the problem) and for "principled" value claiming (identify objective value standards). Likewise, other authors, notably David Lax and James Sebenius [1] in *The Manager as Negotiator,* tells readers to focus on enlarging the pie though trades (creating value) while seeking to get a reasonably piece of the expanded pie for themselves (claiming value).

Finding opportunities for mutual benefit naturally requires information sharing. Unlike the distributive situation, in which you deliberately play your cards close to the vest, an integrative negotiation encourages negotiators to do as following:

– Provide significant information about their circumstances.

– Explain why they want to make a deal.

– Talk about their real interests or business constraints.

– Reveal and explain in general terms their preferences among issues or options.

– Consider and reveal any additional capabilities or resources they have that might meet the other side's interests and could be added to the deal.

– Use what they learn to find creative options that meet the interests of both parties to the greatest extent possible.

[1] In: Harvard Business Essentials. Negotiation. Boston–Massachusetts: Harvard Business School Press. 2003.

8.3.2.2. Multiphase Negotiations

In reality many negotiations are not simple. They involve more than to parties, and they sometimes take place in phases, each devoted to one of several important issues.

Multiphase transactions and the prospect of future dealing offer important advantages for parties who are trustworthy and who would like to foster cooperative behavior. Early phases allow the parties to build trust by performing their agreements as promised. It allows the parties also to become familiar with each other's communication and negotiation styles.

8.3.2.3. Multiparty Negotiations

Business and professional negotiations commonly involve more than two parties, and certainly more than two people. Such *multiparty negotiations* can differ significantly from two-party negotiations in one important respect: Coalitions can form among the parties. Coalitions make it possible for weaker parties to gather the strength to push through their preferred proposals, or at least to block those they find unacceptable.

There are at least two types of coalitions: a *natural coalition* of allies who share a broad range of common interests, and *a single-issue coalition,* in which parties that differ on other issues unite to support or block a single issue (often for different reasons).

8.3.3. Summing Up

This chapter has introduced the basic types of negotiation you're likely to encounter, and what's at stake in each:

– Distributive negotiation pits two or more parties in competition for a fixed amount of value. Here, each side's goal is to claim as much value as possible, as in the sale of a rug at a street bazaar. Value gained by one party is unavailable to others.

– Integrative negotiation is about creating and claiming value. Through collaboration and information sharing, the parties look for opportunities to satisfy the key objectives of each, recognizing that they will probably have to give ground on other objectives.

– The negotiator's dilemma describes the situation faced by people who enter any type of bargaining situation. They must determine which game to play: aggressively claim the value currently on the table (and possibly come out the loser), or work with the other side to create even better opportunities that can be shared.

– No matter which type of negotiation you're faced with, it's bound to be more complex if it is multiphased or involves multiple parties. If your negotiation is multiphased, use the early phases to build trust and to become familiar with the other parties. If many parties are involved, consider the benefits of forming a coalition to improve your bargaining power.

CHAPTER 9

Characteristics of Negotiation

Chapter 9. Characteristics of Negotiation

Subchapter 9.1. Opening negotiations

In business, we negotiate with both suppliers and customers. We also negotiate within our organizations, for example with colleagues and team members. Think for a minute about the hundreds of deals you make every year – with your boss, your customers, your suppliers and colleagues. Whilst there are an infinite variety of negotiation scenarios, most negotiations are defined by three characteristics: There is a conflict of interest between two or more parties. What one wants is not necessarily, what the others want. Either there is no established set of rules for resolving the conflict, or the parties prefer to work outside of an established set of rules to develop their own solution. The parties prefer to search for an agreement rather than to fight openly, to have one side capitulate, to break off contact permanently or to take their dispute to a higher authority.

The principles of negotiation are not dependent on the identity of the parties involved, their cultures or the amounts at stake. [1] The skill of negotiation can be applied universally – whether you are seeking a promotion, commissioning a nuclear power plant or simply buying a used car.

The Critical Factors: The actual negotiation process depends on the following factors:

– The goals and interests of the parties

– The perceived interdependence between the parties

– The history that exists between the parties

– The personalities of the people involved

– The persuasive ability of each party

[1] Cp-105: *Nature of Business Communication.* University of the East. Course Business Research. Academic Year 2012/2013. https://www.studocu.com/ph/document/university-of-the-east/business-research/cp-105-nature-of-business-communication/13936452

Negotiation is a complex communication process, all the more so when one round of negotiations is just an episode in a longer-term commercial or political relationship. In these situations, considerations about the longer-term relationship will influence any specific round of talks – and reduce the tendency to maximize short-term gain at any expense.

9.1.1. Introduction

It is important to make a tough but credible opening. In the early stages of bargaining it is important to follow this up by maintaining a firm stance, to demonstrate to the other side that you are unlikely to make substantial movements from your opening position (whether or not this is actually the case).

Your job as a negotiator is to put forward persuasive arguments that will compel the other side to agree with you and thereby make concessions. However, never verbally attack the other side, always be polite and if possible provide them with an escape route. Disagree firmly but don't try to make the other side look small. If you indulge in personal attacks the other side may dig in and a deadlock may result.

9.1.2. Listen, Anticipate and Compromise

Irrespective of your fundamental negotiating style, there are certain guidelines that you should follow:

– Be willing to make small concessions. Identify what is important to you and focus on achieving gains from the other side on these issues. By making small concessions on a number of minor points a spirit of cooperation can be fostered, whilst enabling you to keep referring back to your main issues and seeking accommodation on them.

– Anticipate the other side's objections – and use this information to address them. By foreseeing obvious reservations that they may have you can address them and explain your point of view before the other side can raise them as a contentious issue. The one caution here is that you must be careful not to gift any arguments to the other side – by raising points that they may not have thought of.

– Assertions of fact will have far more impact if they are backed up with published information. The use of domain experts may add a lot of weight to your position. If they are good com municators why not let them make the argument rather than just confirm your viewpoint.

– Before you attempt to counter the other side's argument it is important that you understand their position, by listening carefully to what they are saying. The way in which an argument is countered will be heavily influenced by the personality and style of the individual negotiator.

9.1.3. Avoid Confrontation

In the same way there are certain guidelines that you should follow. Don't talk too much yourself, as you may end up giving too much away and it is likely to reduce your ability to read signals coming from the other side.

Wherever you can, ask the other side to justify their position on an item-by-item basis and make sure that you understand their reasoning clearly.

Don't just say no – if the other side wants something that you cannot give. Where possible, try to offer an alternative package. For example, if you cannot meet the customers required delivery date, could you deliver part of the order on that date, followed by the remainder shortly afterwards.

Don't overstate your case. The use of emotive words and metaphors can add interest and aid understanding. However, if taken too far it can reduce the credibility of your main argument. It is often better to understate a strong case than to overstate a weak one.

Don't highlight your own shortcomings. Never use your own problems or shortcomings as bargaining chips, this almost inevitably backfires. For example, if you try and justify a price rise as being the inevitable consequence of staffing problems, then it is likely that the customer will start to view your competitors in a better light.

Don't deny obvious weaknesses in your position. As you may jeopardize your credibility if you assert that, they are not really weaknesses. A better tactic is to downplay them in comparison to other areas – where your position is strong.

CHAPTER 10

Preparation

Chapter 10. Preparation

Subchapter 10.1. Phases of negotiation

10.1.1. Introduction

If you negotiate casually you will never optimize your effectiveness. The more important the negotiation, the more preparation you should do. If you have not prepared properly and the other person has, you are at a disadvantage immediately. It will make you feel unprofessional and weak, and to be honest, at that moment, you are. Lack of preparation will nearly always cost you money.

People who know what they want, what they are willing to settle for, and what the other side is all about stand a better chance of negotiating a favorable deal for themselves, as the following example will clear [1]:

> *Laura, one of Phil's best employees, requested a meeting to talk about taking a six month leave of absence. She had expressed her interest in an extended leave several times over the past several months. But now she made a formal request for a meeting. "Let's meet a week from Tuesday at 4 o'clock to discuss it," said Phil.*
>
> *With all the things going on in the department, Phil didn't want to think about how his unit would get its work done without Laura. And so he didn't think about her request. "Maybe she'll change her mind or just forget about it," he mused. But she didn't.*
>
> *When they finally met, Laura was completely prepared. She had picked potential starting and ending dates for her leave. She'd checked with the human resource department about leave policies and the staffing issues. And she anticipated the issues her boss would raise: Who will pick up the slack? How will deadlines be met? Who will take her place in team activities? Laura had prepared answers for each of these questions.*
>
> *Phil, on the other hand, was winging it. He didn't like the idea of extended leaves. "What if everybody decided to do this?" he muttered. "We'd have chaos around here." But whenever he raised an objection, Laura came back with an effective response. He wanted to suggest an alternative to such a long leave, but couldn't think of one.*
>
> *In the end, Laura got her leave on her terms because she was prepared and Phil was not. Had he been prepared, Phil might have found common ground on which his unit goals and Laura's goals could have been mutually satisfied.*

[1] Harvard Business Essentials. *Negotiation.* Boston–Massachusetts, Harvard Business School Press. 2003.

10.1.2. Phases of a Negotiation

When we prepare, we need to ask ourselves questions about the other person.

We must form a judgement about what may or may not be important to that person:

– What is important to him/her in making his/her decision?

– Where will he/she seek to negotiate?

– What combination of factors is likely to be important: cost, price, quantities, delivery, exclusive terms, credit, stockholding, training, confidentiality, after sales, maintenance, guarantees, contract length?

Seek to uncover preferences, needs, obstacles, opportunities and problems. In each of these five cases, ask how they could be related to the negotiation in hand.

We also need to prepare our own position:

– What is our objective?

– What price level are we aiming for?

Nearly all negotiations are characterized by four phases - preparation, opening, bargaining and closing. In large scale negotiations each of these phases are normally tackled sequentially. However, in smaller scale negotiations it is quite common for these phases to merge – possibly into a single unstructured process. Where this is the case, a good understanding of the logic that underpins the four-phase approach can guide you, even when you are negotiating smaller deals.

Preparation involves information gathering – knowing the state of the market, being aware of the supply and demand status, being aware of any current or imminent discounts and special offers and so on.

The **opening** phase of a negotiation involves both sides presenting their starting positions to one another. It usually represents the single most important opportunity to influence the other side.

In the **bargaining** phase, your aim is to narrow the gap between the two initial positions and to persuade the other side that your case is so strong that they must accept less than they had planned. In order to do this you should use clearly thought out, planned and logical debate.

The **closing** of a negotiation represents the opportunity to capitalize on all of the work done in the earlier phases. The research that you've done in the preparation phase, combined with all of the information that you've gained since should guide you in the closing phase.

Subchapter 10.2. Nine steps to a deal 1

10.2.1. Step1: Consider what a good outcome would be for you and the other side

Never enter into a negotiation without first asking yourself, “What would be a good outcome for me? What are my needs, and how do I prioritize them?” Then ask the same questions from the perspective of the other side.

In the example that introduced this chapter, Phil, the manager, should have thought ahead to the outcomes that would have been good for him – outcomes that would allow his unit to reach its assigned goals. The most obvious would be for Laura to stay put. But that isn’t feasible, since the company has a leave policy. And turning her request down flat might lead to her resignation, creating a still bigger problem. But that’s the extreme outcome. There are plenty of others that might allow Phil’s unit to get its work done.

For example:

– Negotiate a shorter leave.

– Schedule the leave for the slow part of the year.

– Ask Laura to work out a plan with her coworkers that clearly accommodates the business needs of the unit.

Any of these outcomes might satisfy Phil. But what about Laura’s perspective? If she has any bargaining power, her concept of a good outcome will limit Phil’s ability to produce the best outcome for himself. So as a part of this preparation, Phil needs to put himself in her shoes and ask the same questions: What would be a good outcome for Laura? What are her needs, and how does she prioritize them?”

Logically Phil can only answer these questions if he understands Laura and her motive in seeking a leave of absence in the first place.

Since Phil hasn't bothered to understand Laura's issues, let's play mind reader and find out what she is thinking:

I really need to spend more time with my son Nathan. He's a very unfocused teenager. And it shows in his school reports. He's not doing his homework, he's goofing off in class, and his grades are lousy. Someone has to get him on track or he'll never get into a decent college or develop good work habits. Someone should be there when he gets home from school to enforce study habits and to provide a family dinner during which we listen to each other. His father can't do it – he travels too much. And I can't do it with a full-time job. I don't get home until 6:30, and by them I'm pooped! That long commute is just killing me.

I need some time off to get that boy on track. Six months might do it. We really can't afford the lost income, but we can't let our son continue to drift either.

Had Phil prepared himself by learning why Laura wanted a leave, he would have been able to postulate one or more good outcomes from her perspective.

The interests of the two sides are sometimes revealed through dialogue at the negotiating table. But not always particularly in win-lose distributive deals. If you cannot identify the other side's interests, use every communication opportunity to probe for them.

10.2.2. Step 2: Identify potential value creation opportunities

Once you understand what a good outcome would look like from the vantage point of the other side, you can then identify areas of common ground, compromise, and opportunities for favorable trades. If Phil eventually recognized Laura's key issue as one of balance between work and family life, for instance, he could prepare himself with a handful of feasible alternatives that would allow both parties to attain most, if not all, of their goals.

For example:

– Reduced hours for Laura – 9 A.M. to 2 P. M. Laura would be home in time to deal with her son, and Phil could use her salary reduction to hire a temp to fill the 2-to-5 P.M. time gap.

– Telework from a home office from 8 A. M. to 3:30 P.M. This would address Laura's interests with respect to her long commute, her desire to provide closer supervision for her son in the late afternoon, and her concern about losing significant income. Laura could, in turn, address Phil's interests by developing a plan for timely delivery of all her work.

Laura might see either of these alternatives as superior to her initial leave request in that each would have her at home in the early afternoon and still provide her with most – if not all – of her income. And neither would create serious problems for Phil's unit. In this sense the negotiation would be value creating. Laura would get the time she needed for work/life balance, and Phil would retain a good employee and keep his department running on an even keel.

Any time value is created, you need to answer the question of who will claim that value. One party could claim 100 percent of it, or it could be shared in some way. Naturally, if you help create value through negotiation, you'll want to claim a share – you'd be entitled to it. This is what sellers do in negotiated business acquisitions.

10.2.3. Step 3: Identify your BATNA and reservation price and do the same for the other side

The previous chapter discussed BATNA and the reservation price at length. We mention these concepts again here because they are such important elements of preparation.

Getting back to the example of Phil and Laura, what is Phil's BATNA? The story hasn't given us enough details to know for certain, but it appears that Phil hasn't even thought about his BATNA. He doesn't have anyone waiting in the wings to replace Laura if he says "no" and she resigns. If he walks away from negotiating her leave request, he'll be faced with either (1) dealing with disgruntled employee if she says, or (2) hiring a replacement if she leaves. Neither is pleasant prospect from Phil's viewpoint. If Laura surmises this as part of her preparation, she'll be in a better position to negotiate.

Laura's BATNA is also limited. If she doesn't negotiate with Phil, she'll more likely get her leave since company policy provides for it. But saying, "Give me a leave or I'll sue" would undermine her standing in the company – something she doesn't want. So her best alternative to a negotiated deal may be resigning and looking for a new job six months down the road. If Phil understands this, he will be better prepared to a bargain.

10.2.4. Step 4: Shore up your BATNA

As described in the previous chapter, anything you can do to improve your best alternative to a negotiated deal will put you in a stronger position. In the case of Phil and Laura, Phil could have improved his BATNA in the preparation stage if he had identified another employee willing and able to step into Laura's shoes if she drove to a hard bargain. Laura's stronger bargaining chip is her importance to the smooth working of the unit. If she could be rendered "replaceable," that chip would lose its power.

Shoring up one's BATNA is an important part of preparation, but is not limited to the "pre-negotiations" phase. Good negotiators work to improve their BATNAs before and during deliberations with the other side.

10.2.5. Step 5: Anticipate the Authority Issue

Conventional wisdom insists that the negotiation on the other side of the table must have full authority. Otherwise, you risk falling victim to the old "car dealer" trick, where just as you are about to reach agreement with salesman, he says, "I'll have to clear this with my manager." In other words, the negotiation with the salesman is used to bring you to your bottom line; the second negotiation, with the manager, aims to push you beyond it.

There are real advantages to negotiating with the person who has the power to sign on the dotted line:

– All of your reasoning is heard directly by the decision maker.

– The benefits of the good relationship built at the bargaining table are likely to be reflected in the deal and its implementation.

– There fewer chances of disputes or misinterpretation of particular provisions.

– You avoid the "car dealer" trick described previously.

– If your aim is to make the person on the other side of the table hungry for a deal with you, your efforts will do no good if the real decision maker is somewhere in the background.

So do whatever you can to identify the real decision maker. Don't be afraid to ask, "Who will make the decision?" If that person is not on the negotiating team, suggest that he or she be included. "If Mr. Jones will be making the decision, wouldn't it be best if he participate with us?" That way we can avoid misunderstandings and save time." If your decision maker is at the table, press the other side to reciprocate.

Also try to find out *how* the other side will make its decision. Is it up to one individual, a team, or a committee? Will the decision be kicked around the organization for a week or two? Don't be shy about asking point-blank, "What decision-making process do you use for an issue like this one?"

Dealing with negotiators who lack full authority, however, may have advantages. These individuals may be freer to discuss their company's interests and to explore creative options. If you are dealing with someone who does not have full authority, view this as a freedom from the need to commit.

It is very important that you determine the authority level of the person with whom you will be negotiating, so that you can plan accordingly.

Thus, try to ascertain the following:

– Who will be at the negotiating table

– What is that person's title and area of responsibility

– How long the other side's representative has been with the company

– How the company is structured (Is it very hierarchical, with significant decision-making powers centered at the top, or it is relatively decentralized?)

– How the negotiator is viewed within the organization (Is he or she generally respected and listened to, or not?)

– Are you authorized only to commit to a predetermined range of deals for which committee approval has been obtained? What if you can negotiate something better? What would the committee consider to be better?

– Are you authorized to commit to a deal that meets certain financial objectives, with freedom to structure the deal in the best way you can? Would your company prefer that you bring such a deal back for formal review and approval?

– Is your authority limited on dollar issues but not on other creative options without significant financial implications?

– Are you authorized to provide information about your company's needs, interests, and preferences if the other side engages in a good-faith, reciprocal exchange?

You may be frustrated if you don't get the authority you seek, but at least you won't unwittingly overstep your bounds. Here again, less authority is sometimes better. The need to check back for certain decisions may be strategically helpful, and may enable you to be more creative in inventing options.

Subchapter 10.3. Nine steps to a deal 2

10.3.1. Step 6: Learn all you can about the other side's people and culture, their goals, and how they've framed the issue

Negotiating is at bottom, an interpersonal activity. Seasoned negotiators understand this and make a point of learning as much as they can about people with whom they must deal. Who are those individuals on the other side of the table? Are they experienced negotiators or novices? Are they aggressive or are they conflict-avoiding accommodators? Is the culture of their organization bureaucratic or entrepreneurial? Are the people at the table authorized to make a deal, or must they run back to their bosses for instructions and approval? Perhaps more important, what are they attempting to achieve and how critical is this negotiation to their business? Seeking answers to these questions is part of pre-negotiation preparation and should continue at the table itself. You should, for example, ask the other side to provide the names and titles of the negotiating team. Once you have those names, ask around your company or around the industry, "What can anyone tell me about these individuals? Has anyone dealt with them before?" Their titles may help answer the question of whether they are authorized to make a deal.

10.3.2. Step 7: Prepare for flexibility in the process – don't lock yourself into a rigid sequence

Negotiations don't always follow a predictable or linear path. Relationships sometimes sour. Unanticipated developments cause one side to withdraw or freeze talks. Newly found opportunities encourage the other side to drive a harder bargain. One negotiator is replaced by another. These developments mean that the parties must be prepared to move forward without a clear roadmap. They must also exercise patience, because many negotiations have on-again off-again qualities. Managers who have earned their spurs in operations – where "let's get it done now" is the watchword – are not naturally disposed to patience. But it is a virtue they need in negotiating.

Here are some things you can do to be more flexible in negotiations:

– Start with the assumption that the process will not unfold in a predictable, linear fashion.

– Be prepared for changes on both sides: new people and unanticipated developments.

– Treat every change as an opportunity for learning.

– Flexibility is important, but be flexible within the context of your larger goal. If, for example, your goal in a negotiation is to acquire a particular business, keep that goal uppermost in your mind. Alter the pace is needed. Be patient when unanticipated delays occur. But never allow these bumps in the road to make you lose sight of your goal.

10.3.3. Step 8: Gather external standards and criteria relevant to fairness

Both sides want to believe that any deal reached is fair and reasonable. And if the parties expect to have a continuing relationship, a sense of fairness and reasonableness matters. Neither party should feel that it has been forced to make a bad deal.

External or "objective" criteria can often be used to establish what is fair and reasonable. For example, you might be able to say something like this [1]:

I've spent some time researching the commission structures used by commercial real estate agencies in the metropolitan area. As you can see, for properties listed between $1 million and $3 million, the commission rates range between 3 percent and 5 percent, with an average of 4.4 percent. Thus, we believe that our offer to pay you a 4.5 percent commission is both fair and reasonable.

Because they are often many relevant criteria for fairness and reasonableness, an important part of preparation is (1) researching which criteria might be applied, (2) being prepared to show why those less favorable to you are less relevant. If you can convince the other side that a certain criterion or formula is fair and reasonable, they will find it harder to reject a proposal incorporating that standard, and they are more likely to feel satisfied with the deal.

10.3.4. Step 9: Alter the process in your favor

Have you ever felt that your ideas were being ignored during meetings or formal negotiations? Does it ever appear that these meetings are rigged to produce a particular result – in spite of input by you or others?

If you have, consider these possible explanations:

– Whoever set the agenda did so with particular outcome in mind – one that benefits that person or entity.

– People are deferring to someone with greater organizational clout – your arguments notwithstanding.

– Yours is a "lone voice in the wilderness" and out of step with others.

[1] Harvard Business Essentials. Negotiation. Boston–Massachusetts, Harvard Business School Press. 2003.

Any of these explanations can shut you out and steer results in a direction favored – if not rigged – by someone else. The antidote is to work away from the table to change the process. "Process moves", as described Judith Williams, "do not address the substantive issues in a negotiation." Instead, they directly affect the hearing those issues receive. "The agenda, the pre-negotiation groundwork, and the sequence in which ideas and people are heard – all these structural elements influence others 'receptivity to opinions and demands.'"

If you ever followed international conflict negotiations on the evening news, you've probably noticed that experienced diplomats don't jump into the issues. Instead, they spend months trying to agree where the meeting will take place, who will participate, and even the shape of the negotiating table. These are all process moves, and effective preparation includes attention to these away-from-the-table issues.

Kolb and Williams make these specific recommendations about process moves:

- **Work behind the scenes to educate others on your ideas.** A formal meeting is not always a good venue for making a detailed case, or for holding dialogue about a complex issue – es pecially when opponents control the agenda. So educate other participants one on one outside formal meetings.

- **Reframe the process.** If you're been marginalized in a series of meetings or negotiations, the process may be the reason. Consider this example: A loud and brash department head has framed an upcoming meeting in terms of her need for more resources – resources that will have to come from your department. She's prepared to wrestle for as much as she can get, confident that others at the meeting will be neutral because they will not be affected. You could counter by reframing the discussion from "her needs" to "company's needs." This would make you appear levelheaded and statesmanlike, and would help others recognize that the department head's resource grab also affects them.

As you prepare for a negotiation, recognize that you'll never learn as much as you'd like. Learning about the issues and about the other side is always limited by time, the cost of gathering information, and the fact that some information will be deliberately hidden. So be prepared to learn as negotiations unfold.

10.3.5. Summing Up

If your aim is to be an affective negotiator, take the time and make the effort needed to become fully prepared.

This chapter has offered nine preparatory steps:

1. Know what a good outcome would be from your point of view and that of the other side.
2. Look for opportunities to create value in the deal.
3. Know your BATNA and reservation price. Make an effort to estimate those benchmarks for the other side.
4. If your BATNA isn't strong, find ways to improve it.
5. Find out if the person or team you're dealing with has the authority to make a deal.
6. Know those with whom you're dealing. Learn as much as you can about the people and the culture on the other side and how they've framed the issue.
7. If a future relationship with other side matters, gather the external standards and criteria that will show your offer to be fair and reasonable.
8. Don't expect things to follow a linear path to a conclusion. Be prepared for bumps in the road and periodic delays.
9. Alter the agenda and process moves in your favor.

CHAPTER 11

Characteristics of Negotiation

Chapter 11. Characteristics of Negotiation

Subchapter 11.1. Opening negotiations

In business, we negotiate with both suppliers and customers. We also negotiate within our organizations, for example with colleagues and team members. Think for a minute about the hundreds of deals you make every year – with your boss, your customers, your suppliers and colleagues. Whilst there are an infinite variety of negotiation scenarios, most negotiations are defined by three characteristics: There is a conflict of interest between two or more parties. What one wants is not necessarily, what the others want. Either there is no established set of rules for resolving the conflict, or the parties prefer to work outside of an established set of rules to develop their own solution. The parties prefer to search for an agreement rather than to fight openly, to have one side capitulate, to break off contact permanently or to take their dispute to a higher authority.

The principles of negotiation are not dependent on the identity of the parties involved, their cultures or the amounts at stake. [1] The skill of negotiation can be applied universally – whether you are seeking a promotion, commissioning a nuclear power plant or simply buying a used car.

The Critical Factors: The actual negotiation process depends on the following factors:

– The goals and interests of the parties

– The perceived interdependence between the parties

– The history that exists between the parties

– The personalities of the people involved

– The persuasive ability of each party

[1]Cp-105: Nature of Business Communication. University of the East. Course Business Research. Academic Year 2012/2013. https://www.studocu.com/ph/document/university-of-the-east/business-research/cp-105-nature-of-business-communication/13936452

Negotiation is a complex communication process, all the more so when one round of negotiations is just an episode in a longer-term commercial or political relationship. In these situations, considerations about the longer-term relationship will influence any specific round of talks – and reduce the tendency to maximize short-term gain at any expense.

11.1.1. Introduction

It is important to make a tough but credible opening. In the early stages of bargaining it is important to follow this up by maintaining a firm stance, to demonstrate to the other side that you are unlikely to make substantial movements from your opening position (whether or not this is actually the case).

Your job as a negotiator is to put forward persuasive arguments that will compel the other side to agree with you and thereby make concessions. However, never verbally attack the other side, always be polite and if possible provide them with an escape route. Disagree firmly but don't try to make the other side look small. If you indulge in personal attacks the other side may dig in and a deadlock may result.

11.1.2. Listen, Anticipate and Compromise

Irrespective of your fundamental negotiating style, there are certain guidelines that you should follow:

– Be willing to make small concessions. Identify what is important to you and focus on achieving gains from the other side on these issues. By making small concessions on a number of minor points a spirit of cooperation can be fostered, whilst enabling you to keep referring back to your main issues and seeking accommodation on them.

– Anticipate the other side's objections – and use this information to address them. By foreseeing obvious reservations that they may have you can address them and explain your point of view before the other side can raise them as a contentious issue. The one caution here is that you must be careful not to gift any arguments to the other side – by raising points that they may not have thought of.

– Assertions of fact will have far more impact if they are backed up with published information. The use of domain experts may add a lot of weight to your position. If they are good communicators why not let them make the argument rather than just confirm your viewpoint.

– Before you attempt to counter the other side's argument it is important that you understand their position, by listening carefully to what they are saying. The way in which an argument is countered will be heavily influenced by the personality and style of the individual negotiator.

11.1.3. Avoid Confrontation

In the same way there are certain guidelines that you should follow. Don't talk too much yourself, as you may end up giving too much away and it is likely to reduce your ability to read signals coming from the other side.

Wherever you can, ask the other side to justify their position on an item-by-item basis and make sure that you understand their reasoning clearly.

Don't just say no – if the other side wants something that you cannot give. Where possible, try to offer an alternative package. For example, if you cannot meet the customers required delivery date, could you deliver part of the order on that date, followed by the remainder shortly afterwards.

Don't overstate your case. The use of emotive words and metaphors can add interest and aid understanding. However, if taken too far it can reduce the credibility of your main argument. It is often better to understate a strong case than to overstate a weak one.

Don't highlight your own shortcomings. Never use your own problems or shortcomings as bargaining chips, this almost inevitably backfires. For example, if you try and justify a price rise as being the inevitable consequence of staffing problems, then it is likely that the customer will start to view your competitors in a better light.

Don't deny obvious weaknesses in your position. As you may jeopardize your credibility if you assert that, they are not really weaknesses. A better tactic is to downplay them in comparison to other areas – where your position is strong.

Subchapter 11.2. Concession trading

11.2.1. The Use of Concessions

To a large extent negotiating is the art of knowing how to exchange concessions. One of the major drawbacks with concession trading is that it can involve losses at two levels – both materially and from an image perspective. Concessions can become a way of life, eating away at an organizations profit margin – particularly, for example, when sales targets are volume based with little or no recourse to the bottom line. This is why it is important to plan carefully the concessions that you are willing to make.

Each concession made, may be read either as:

– a goodwill gesture,

– or a sign of weakness

Even in the best case scenario – where a concession is taken as a sign of goodwill – there is absolutely no compelling reason for the other side to respond in kind. Making goodwill concessions is not contagious. An experienced negotiator is more likely to accept the concession and feel confident that he can seek further movement from a party that is ready to make unilateral concessions.

If however, the concession is read as weakness on your part then the other side may very well adopt a tougher stance. The law of the jungle prevails at the bargaining table and one thing that you must try to avoid doing is to draw attention to any weaknesses in your case.

11.2.2. Concession trading

The problem with making concessions is that making one from a position of weakness can lead to requests for you to make a series of follow-on concessions. Alternatively, if you are not in an obviously weak position, and are seen to be too ready to make concessions, then the other side may start to feel that the underlying deal must be biased to your advantage.

Another important aim during the bargaining phase is to get the other side used to making concessions. A good tactic here is to get them to make a few minor concessions at the start of negotiations – as this will lay the groundwork for obtaining more important ones later on.

If the other side refuses to make any significant concessions, then this may indicate that they are not negotiating in good faith. Furthermore, if the other side have got used to giving little, or nothing away then they may assume that they are in the stronger position as the negotiations draw to a close.

The concessions made by both sides are key to the outcome of the negotiations. It is important to avoid making the first major concession, as the other side will gain a significant psychological advantage from it.

Concessions should be planned in the preparation phase and offered in reverse priority, contingent on the other side making some movement in return. Try to avoid making concessions when you are under pressure and make the other side work hard for any movement in your position.

11.2.3. Recognizing a losing trend

You need to know how to recognize and react to a losing trend in the negotiation process. You should also understand why negotiations can become derailed and appreciate a variety of options for dealing with deadlock.

In long negotiations, the advantage often swings back and forth between the two sides. However, sometimes you can find yourself on a losing trend when you feel that despite your best efforts you are consistently coming off second best.

As a rule consider a losing trend to be indicated by: A situation where you find yourself making three unilateral concessions in a row. You can't keep the other side focused on issues which you feel are important. You find yourself persuaded by the arguments of the other side on three or more successive points.

You should learn to recognize a losing trend and respond by either:

- **Taking a break** – make an excuse and suspend negotiations while you reorganize your arguments and rethink your strategy. This could be a short coffee break; a lunch break or you could make an excuse for suspending negotiations overnight.

- **Moving the focus** – a losing trend can result from the negotiations becoming centered on your weak areas. Try to move the debate on to areas where you are stronger.

– **Trading a concession** – one sure way to stop a losing trend is to gain a concession from the other side. This may be worthwhile even if the trade seems generous from your perspective – as you may shift the momentum back to your side of the negotiating table.

11.2.4. Removing Deadlock

It is not uncommon in negotiations for an impasse to arise – where the two sides just cannot see eye to eye and progress is not being made. The key here is to remain calm and patient. Try to step back from the heat of the talks and understand what has led to the current situation.

Suggest taking a break, often it is tension and fatigue that lie behind many deadlock situations. Sometimes a few hours may be sufficient for you to recharge your batteries and see a new angle with which to address the impasse. The natural assumption is that the other party is at fault and often the best way to analyze the situation is to put you in their position.

It may be useful for the senior negotiators to have a round of discussions together, with a view to removing the deadlock in the absence of other team members who have developed a negative mind-set. Alternatively, a group brainstorming session may reveal an effective route around the block.

If the deadlock is proving to be immovable then it may be worth raising issues that are on a higher plane than the existing talks themselves. For example, the importance of your long term relationship, the advantages of reaching an agreement and the dangers of not doing so, as well as the fact that a negotiated settlement is in both of your interests whilst conflict is not. Factors such as these raised and discussed diplomatically may help by focusing attention on the bigger picture.

Subchapter 11.3. Barriers to agreement

11.3.1. How to recognize and overcome them

Some negotiations cannot be completed for the simple reason that one or another party has better alternatives elsewhere. For them negotiations are not in their best interest; it's better to walk away. But other negotiations for which ZOPAs exist nonetheless fail. One need only examine geopolitical history to note the many conflicts that could have been negotiated successfully had the parties been more objective and less driven by pride, impatience, stubbornness, or ignorance of the facts. The same happens in business and interpersonal negotiations. This subchapter examines barriers to successful negotiations and how they can be overcome or eliminated. [1]

1. Die-Hard Bargainers

They are out there: the *die-hard bargainers,* for whom every negotiation is a test of wills and a battle for every scrap of value. Unless you're willing to play the same game – or lack other options – negotiations with these people may be fruitless.

Here are some ways of making the most of this type of situation:

– Recognize the game they're playing, and don't be thrown off-balance by it.

– Disclose only the information that cannot be used to exploit it.

– If you're unsure about the attitude of the other side, test their willingness to share information.

– Try to different tack. Suggest alternative options

– Be willing to walk away.

– Strengthen your BATNA. If your position is weak, the other side can ignore you with little risk.

[1] Harvard Business Essentials. Negotiation. Boston–Massachusetts, Harvard Business School Press. 2003.

2. Lack of Trust

Agreements are difficult in the absence of mutual trust. But don't give up too quickly if you suspect the other side is not entirely trustworthy.

– Emphasize that the deal is predicated on their accurate and truthful representation of the situation.

– Require that they provide back-up documentation, and that the terms of the deal be explicitly contingent on the documentation's accuracy.

– Structure the agreement in a way that makes future benefits contingent on current compliance and performance.

– Insist on compliance transparency. Compliance transparency refers to one's ability to monitor compliance from the outside.

– Require enforcement mechanisms, such as a security deposit, escrow arrangement, or penalties for noncompliance.

3. Informational Vacuums and the Negotiator's Dilemma

Negotiators have difficulty in connecting with each other when they have little or no pertinent information about the interests of their counterparts. In the absence of illuminating information, they pass by each other like ships sailing in darkness.

So how can this dilemma be resolved for mutual benefit? The best answer is cautions, mutual, and incremental information sharing.

4. Structural impediments

In some cases, the road to agreement is blocked by structural impediments.

Here are a few typical examples:

– Not all the right parties are at the table. Remedy: Get the right people on board.

– Other parties to the negotiation don't belong there – worse, they are getting in the way.
Remedy: Get the group to confront the individual or individuals who are blocking progress and ask them to step aside. If a person resists, appeal to a higher authority.

5. Spoilers

In multiparty negotiations, certain stakeholders may prefer "no deal" as the outcome. Call them spoilers. They may have the power to block or sabotage your negotiations. These spoilers may have seats at the table, or they may not. For example, the president of the United States may negotiate a trade deal with a foreign nation, but two or three powerful senators who view the deal as contrary to the interests of their constituents may block ratification in Congress.

6. Differences in Gender and Culture

Our language, thought processes, perceptions, communication styles, and personalities are formed by a thicket of culture, gender, and social dynamics. Culture is a cluster of tendencies that are more prevalent in one group than another – how people behave and think. We tend to attribute any mystifying behavior in other people to, say, the French national character, the ways of women, the personality of lawyers, or even to the culture of a certain company.

But culture does not determine or predict any single individual's behaviors or choices: There are always great variations within given populations. Thus, an Italian engineer may have more in common with a German engineer than with an Italian artist.

7. Communication

Communication is the medium of negotiation. You cannot make progress without it.

When you suspect that communication is causing the negotiation to go off track, try the following tactics:

– Ask for a break. Offer to listen while the other side explains its perspective on the issue. Explain your perspective. Then, try to pinpoint the problem.

– If the spokesperson of your negotiating team seems to infuriate the other side, have someone else act as spokesperson.

– Jointly document progress as it is made. This is particularly important in multiphase negotiations. It will solve the problem of someone saying, "I don't remember agreeing to that."

8. The Power of Dialogue

Dialogue is a powerful mode of communication and an effective antidote to most, if not all, of the human barriers identified in this chapter. It is time-tested communication form in which parties exchange views and ideas with the goal of reaching amicable agreement. Dialogue is usually the very best way to peel back the layers of problems, bring undisclosed concerns to center stage, develop solutions, and reach common understandings.

11.3.2. Summing up

The subchapter examined typical barriers to negotiated agreements and what you can do to overcome or eliminate them.

– Die-hard bargainers will pull for every advantage and try to make every concession come from you. You can deal with these people if you understand the game they are playing.

– Lack of trust is a serious impediment to making a deal. Nevertheless, agreements are possible if you take precautions, require enforcement mechanisms.

– It's difficult to make a deal – and impossible to create value – in the absence of information. Each side is reluctant to be the first to open up.

– Structural impediments include the absence of important parties at the table.

– Spoilers are people who block or undermine negotiations.

– Cultural and gender difference can be barriers to agreement, particularly when one of the parties brings to the table a set of assumptions.

– Communication problems can also create barriers.

– Dialogue can eliminate or lower all of the barriers described in this subchapter.

CHAPTER 12

Negotiation skills

Chapter 12. Negotiation skills

Subchapter 12.1. Building organizational capabilities for negotiating

12.1.1. Introduction: Building organizational competence

Most businesses understand the importance of building core competencies in area essential to their strategies. For some companies new product development is an essential core competence; for others, it's marketing or engineering. Many require competence in several fields. These competences are the mechanisms that make the execution of high-level strategy possible, and they underpin current and future success.

Negotiating is one of the fields in which organizations need substantial competence, yet few think of it as such. As we've pointed out throughout this book, negotiating skills are required for effective interactions between managers and subordinates, between different departments, between companies and their suppliers, customers, and unions, and in many other situations. Competence in these many forums contributes to the overall success of the organization. Thus, organizations – including yours – need to think about how they can improve the negotiating skills of their people. This chapter explains how you can do it.

12.1.2. Continuous improvement

Managers have embraced process thinking in the past two decades. Process thinking rests on two pillars. The first is that most of the things done within organizations – from handling expense reports to fulfilling orders to developing new products – are the result of processes. Processes are activities that turn inputs into outputs of higher total value. The second pillar is that processes can be improved. They can be made faster, cheaper, or more effective through analysis, redesign, and the application of learning. Together these two fundamental tenets are the basis of continuous improvement, one of the most powerful business ideas to emerge in recent times.

The concept of continuous improvement has spread to other sectors of the economy and to other activities. Banks have used continuous process improvement to reduce the time needed to approve or reject a loan application from several days to several hours, with no reduction in decision-making quality. Insurance companies have done the same with claim processing. Continuous improvement also applies to the manner in which individuals and organizations handle their negotiations.

When applied to negotiations, the discipline of continuous improvement can develop the effectiveness of an organization's internal capabilities and, over time, improve bottom-line results.

So why not apply continuous improvement to the negotiation process? [1]

– The first step toward continuous improvement in negotiations is to treat negotiation as a process with a fairly universal set of process steps. Whether a negotiation involves two individuals or multiple participants, and whether it aims to settle a damage dispute or a labour contract, these steps generally apply. Each step in this process represents an opportunity for improvement, and each should be analysed with that goal in mind.

– The second step is to organize to learn from the process as it takes place, and at the conclusion of the negotiation itself. For example, participants should continually evaluate progress during negotiations and revise their tactics as necessary. They should also use what they've learned in one phase of a negotiation to prepare for the next phase.

– Finally, post-mortem learning should be captured in forms that make learning easily disseminated and reusable by future negotiators: training courses, checklists, and databases.

As you organize to improve your negotiating processes and capabilities, recognize the need to overcome four key barriers:

– The outcomes of a negotiation are not always clear.

– In some cases, the true consequences of a negotiation cannot be measured for many years.

– In learning from the negotiating experience, one cannot always say, "This action produced these results." The presence of many uncontrolled variables makes such certainty impossible.

– Individuals may not have incentives to share their negotiating know-how with others.

[1] Harvard Business Essentials. *Negotiation.* Boston–Massachusetts, Harvard Business School Press. 2003.

12.1.3. Negotiating as an organizational capability

Unfortunately, few companies apply continuous improvement to their negotiations. Nor do they think systematically about their negotiating activities as a whole or of negotiating as a key organizational capability. Instead, they take a situational view, perceiving each negotiation as a separate event with its own goals, tactics, participants, and measures of success. As a consequence, they fail to capture learning for future use. By treating negotiations as an ad hoc activity instead of an organizational capability, they never get better at it – and they often pay a high price at the bargaining table.

An organization can improve its overall negotiating skill and turn that skill into an important capability by heeding the following guidelines:

– Provide training and preparation resources for negotiators.

– Clarify organizational goals and expectations regarding any agreement – and when negotiators should walk away.

– Insist that every negotiating team develop a best alternative to a negotiated agreement (BATNA) and work to improve it.

– Develop mechanisms for capturing and reusing lessons learned from previous negotiations.

– Develop negotiating performance measures and link them to rewards.

Subchapter 12.2. Characteristics of effective negotiators

12.2.1. IntroductionWhat Makes an Effective Negotiator?

Everything discussed so far in this chapter has addressed the organizational issues of improving negotiating competence. What we haven't addressed are the characteristics of effective negotiators. The two go hand in hand. Organizational competence is, in fact, the sum of the competence of the organization's individual members – including you.

In ending this chapter it's fitting to ask, "What are the characteristics of an effective negotiator?" The answer defines the goals that management should aim for in developing negotiation-wide capabilities. It also indicates what you should aim for in developing your own tool-kit of skills.

The personal characteristics that make negotiators effective are derived from the topics treated in previous chapters.

An effective negotiator:

– Aligns negotiating goals with organizational goals. An effective negotiator operates within framework that supports the strategic goals of the organization. This is only possible when those goals are clear. Senior management has a responsibility to communicate goals to everyone from the executive suite to the mail room – including those who negotiate on its behalf. That communication is the best assurance of alignment between goals and employee behaviors – and negotiated outcomes.

– Prepares thoroughly and uses each negotiating phase to prepare further. In effective organizations, people come to meetings prepared with facts and proposals. They don't wing it. The people who negotiate for themselves, their departments, and the organization must be equally prepared.

– Uses negotiating sessions to learn more about the issues at stake and the other side's BATNA and reservation price. Negotiators, like card players, must often operate in a fog of uncertainty. Advantage generally accrues to the parties who, through preparation and dialogue, gather the information that allows them to penetrate that fog. One's BATNA and reservation price are generally knowable, and the other side's BATNA can often be ascertained through effective dialogue and away-from-the-table detective work.

– Has the mental dexterity to identify the interests of both sides, and the creativity to think of value-creating options that produce win-win situations. A really good negotiator confronted with that others perceive as a zero-sum game can change that game. He or she can help the other side see the value of sharing information and expanding the universe of value opportunities.

– Can separate personal issues from negotiating issues. The accomplished negotiator knows that it is not about him or her – or even about the individuals sitting across the table. This negotiator operates with objective detachment and focuses on producing the best possible outcome.

– Can recognize potential barriers to agreement. Barriers aren't always obvious. A skillful negotiator ferrets them out and finds ways to neutralize them.

– Knows how to form coalitions. Not every negotiator is dealt a winning hand. The other side often has greater power at the table. A good negotiator, however, knows that a coalition of several weak players can often counter that power. More important, he or she knows how to build such a coalition on a foundation of shared interests.

– Develops a reputation for reliability and trustworthiness. The most effective negotiators are built on trust. Trust formed through one phase of negotiation pays dividends in the next. Good negotiators practice ethical behavior. They are as good as their words.

With training and experience, you can develop these characteristics and become an effective negotiator.

12.2.2. Summing Up

It's one thing to develop one's individual negotiating skills. Developing the negotiating skills of an organization at many levels is a very different challenge, but one with great potential rewards.

This chapter explored that challenge from several perspectives.

– The discipline of continuous improvement can develop the effectiveness of an organization's internal capabilities and, over time, improve bottom-line results. This same discipline can be applied to the negotiating process.

– The first step toward continuous improvement in negotiations is to treat negotiation as a process with fairly universal set of process steps: pre-negotiations, preparation, negotiations, agreement or non-agreement, post-mortem learning, and learning capture. Learning capture feeds back to the next negotiating experience.

– The second step is to organize to learn from the process as it takes place, and at the conclusion of the negotiation itself.

– An organization can improve its overall negotiating skill and turn that skill into an important capability by doing the following: providing training and preparation for negotiators, clarifying organizational goals and expectations from any agreement and clarifying when negotiators should walk away, insisting that every negotiating team develop a BATNA and work to improve it, developing mechanisms for capturing and reusing lessons learned from previous negotiators, and developing negotiating performance measures and linking them to rewards.

– Because organizational competence is the sum of the competences of an organization's individual members, the chapter concluded with the characteristics of effective negotiators. These define the goals that management should aim for in developing organization-wide capabilities.

An effective negotiator:

– Align negotiating goals with organization goals

– Prepares thoroughly and uses each negotiating phase to prepare further

– Uses negotiating sessions to learn more about the issues at stake and the other side's BATNA and reservation price

– Has the mental dexterity to identify the interests of both sides, and the creativity to think of value-creating options that produce win-win situations

– Can separate personal issues from negotiating issues

– Can recognize potential barriers to agreement

– Knows how to form coalitions

– Develops a reputation for reliability and trustworthiness

Subchapter12.3. Characteristics of ineffective negotiators

12.3.1. Introduction

Ineffective negotiators are never sure of what the right move is or isn't. They will generally not prepare and not take the process seriously.

Ineffective negotiators will show the following characteristics:

– no preparation;

– no rehearsal;

– no commitment to the overall objectives or the negotiation in hand;

– insecurity and uncertainty in their opening position;

– do not have or inspire confidence in their requests or proposals;

– frequently succumb to price-rotting pressure placed on them;

– often get bogged down in the trivial and will trivialise the important.

12.3.2. Differences between good and bad negotiators

We can create a clear picture of the differences between "good" and "bad" negotiators. Of course, there is no simple answer or one-size-fits-all strategy that guarantees success in every negotiation. Sometimes the conditions for a negotiation are so bad it's doomed to fail no matter how good the negotiator. Other times it's the reverse. However, with a solid negotiation strategy, users have the ability to maximize value, while minimizing cost, within a given framework of prerequisites that exist on both sides of the table. Over the course of a career or a protracted global initiative, the role that "luck" plays decreases and the optimization of outcomes because of strategic clarity and improved skill level increases.

You do not have to use a particular negotiation style to become a successful negotiator, but your chances of success will improve when you adopt 10 basic bargaining rules followed by win/win negotiators. [1]

– Be prepared

Successful negotiators are generally the best prepared negotiators. No amount of negotiator experience, skill, or persuasive ability can fully compensate for the absence of preparation. Moreover, none of the other bargaining rules can be entirely effective without preparation.

Why would that be true when all the experts say that preparation is essential for negotiation success?

– Perhaps the negotiators are not aware of the amount of preparation that is really necessary before the negotiation begins. In fact, everything you do from conducting market research to conducting exchanges with the contractor is preparation.

– Perhaps they are aware of the importance of preparation, but they do not feel that they have time to prepare well for each negotiation. Poor preparation leads to poor contracts that require constant clarification, modification, and of course more negotiation.

Adequate preparation for most negotiations includes a careful study of the strengths and weaknesses of both positions along with a study of the needs of the other party and the ways to satisfy those needs.

[1]https://www.acq.osd.mil/dpap/cpf/docs/contract_pricing_finance_guide/vol5_ch6.pdf

– Make positive assumptions

The slogan "aim high" has a great deal of relevance for successful negotiators because the expectation level of negotiators is closely related to the outcome of the negotiations. Expectations are the gauges by which people measure their performance.

Generally, the higher your expectations, the better you will ultimately perform. The reason for this relationship is that expectations influence your behaviour and that behaviour influences the outcome of the bargaining session.

The key to establishing high expectations is developing positive assumptions about your bargaining position. (You should know your bargaining position!) Positive assumptions lead to high expectations while negative assumptions lead to low expectations.

– Give yourself room to compromise

Compromise is essential to successfully conducting most negotiations. Even the most skilled bargainers must make concessions in order to obtain successful outcomes. Yet, many negotiators are unable to make material sacrifices because their opening position is too close to their expectation level.

You need to develop a variety of positions that will permit you to demonstrate a range of apparently fair and reasonable positions. The other side will also permit you to demonstrate flexibility in making the concessions needed to reach a mutually satisfactory result.

In some cultures the price of everything is negotiable even the price of food or the price of a taxi ride. In the United States, people assume that the prices of these basic items are fixed, but expect the prices of larger items (e.g., an automobile or home) to be negotiable. We normally expect sellers to start high and negotiate down and buyers to start low and negotiate up.

– Put pressure on the contractor

Because of the pressure inherent in every negotiation, success in negotiation stems in large part from the ability of a negotiator to increase pressure on the other negotiator while at the same time limiting the pressure on themselves. You can often accomplish this by following some simple procedures which will reduce your stress while increasing the pressure on the other negotiator.

– Do not volunteer weaknesses

Never volunteer information that would weaken your negotiating position or enhance the bargaining position of the contractor.

You can normally adhere to this rule by carefully wording statements or by avoiding a direct response to a direct question. For example, when selling a car the owner is commonly asked, "Why are you selling your car?", the seller could volunteer a weakness by saying, "My car is a gas guzzler." Alternatively, a seller not wanting to disclose the poor gas mileage could avoid revealing the weakness and still be honest by saying "I want to get another car" or "I just want to drive something different" or "I just want to sell my car."

– Use concessions wisely

Because compromise is a vital part of contract negotiations, most successful negotiators are masters of when and how to make concessions. The concessions that you make, when you make them, and how you make them will all have a significant affect on the outcome of the negotiation.

Do not appear overly generous or rush to make concessions.

Concede slowly and in small amounts. Concessions too large or given too quickly may:

– Unnecessarily raise the expectations of the other negotiator.

– Give the other negotiator the impression that the concessions were not that important to you or that you are overly anxious for a settlement.

– Say it right

The time-worn axiom, "It's not what you say but how you say it," aptly applies to the way successful negotiators communicate with other negotiators. The importance of good interpersonal relationships cannot be overemphasized. The reason for this is simple. You are trying to negotiate a mutually satisfactory result. Even the most generous offer may be rejected when the contractor feels slighted or offended.

– Satisfy non-price issues

Most negotiations will not end in agreement unless both the price and non-price issues are satisfied. Never narrow down the objective of negotiations to just price issues. Look for non-price needs and the corresponding ways of satisfying the other party. Non-price needs are often difficult to identify because these issues are not specified by the other party. For example, the negotiation to buy a family-owned company includes more than just bargaining the sales price of the business. Other important non-price issues of the seller should also be addressed, such as the desire to protect the jobs of longtime employees or the retention of the family name on the business.

– Use the power of patience

The power of patience seems obvious. However, practicing patience is often harder than it sounds because of the pressure inherent in every contract negotiation. The quicker the negotiations conclude, the sooner contract performance begins and this natural pressure is relieved.

– Be willing to walk away from or back to negotiations

Deadlock cannot always be avoided and, in fact, is sometimes necessary when dealing with unfair or unreasonable parties. Even the best negotiators sometimes fail to come to mutual agreement and experience this lose/lose outcome. However, good negotiators are neither afraid to walk away from bad deals nor too proud to return to the negotiation table once they realize a better deal cannot be obtained.

CHAPTER 13

International Negotiation

Chapter 13. International Negotiation

Subchapter 13.1. Cultural orientation

13.1.1. Introduction

There has been an interest in international negotiation for centuries, the frequency of international negotiation has increased rapidly in the past 20 years. People today travel more frequently and farther, and business is more international than ever before. For many people and organizations, international negotiation has become the norm rather than an exotic activity that only occurs occasionally. Numerous books and articles – from both academic and practitioner perspectives – have been written about the complexities of negotiating across borders, be it with a person from a different country, culture, or region. Although the term *culture* has many possible definitions, we use it to refer to the shared values, beliefs, and behaviours of a group of people. Countries can have more than one culture, and cultures can span national borders. Negotiating is a social process that is embedded in a much larger context. This context increases in complexity when more than one culture or country is involved, making international negotiation a highly complicated process.

The study of cultural orientation gives us a model for understanding and predicting the results of intercultural encounters. It is, however, a model – a theory. New discoveries continue to be made about why we act the way we do.

Furthermore, communication always takes place between individuals, not cultures. Few individuals are perfect representations of their culture. Citizens of the United States of America are generally known for addressing one another by first names, a habit that most of the world does not follow. However, there are many U.S. citizens who are more comfortable with formality, and prefer to use last names and titles. This does not make them any less like U.S. citizens. It just makes them individuals. [1]

[1] Morison, Terri–Conaway, Wayne A.–Borden, George A. (1994): *Kiss Bow, or shake hands.* Massachusetts: Adams Media Corporation, Holbrook.

13.1.2. Model of cultural orientation

The model can help us predict how people in certain cultures will speak, act, negotiate, and make decisions. Because we deal with individuals, there is a margin of error. For example, a German who would be addressed by his German colleagues as Herr Doktor Wagner might tell a U.S. consultant, "Just call me Joe." This is not generally standard practice in Germany. However, Dr. Josef Wagner may be very familiar with North American customs and may be attempting to make his Canadian or U.S. associates more comfortable.

Many global executives adopt the manners of their targeted countries, so why do U.S. executives need to study foreign ways? There are a variety of reasons. First of all, many foreign businesspeople often cannot or will not imitate U.S. mannerisms. Can you afford to leave them out of your business plans? Second, you might wish to sell to the general public in a foreign market. The average foreign consumer is certainly not going to have the same habits or tastes as consumers in the United States of America. Third, although our friend Josef may act and sound like an American or Canadian or Australian, he isn't. He probably is not even thinking in English; he is thinking in German. Knowing how Germans tend to arrive at decisions gives you an edge. And don't we all need every business advantage we can get? Here is a breakdown of the information in the cultural orientation section.

13.1.2.1. Cognitive styles: how we organize and process information

The word "cognitive" refers to thought, so "cognitive styles" refers to thought patterns. We take in data every conscious moment. Some of it is just noise, and we ignore it. Some of it is of no interest, and we forget it as soon as we see/hear/feel/smell/taste it. Some data, however, we choose to accept.

1) Studies of cognitive styles suggest that people fall into open-minded and closed-minded categories. The open-minded person seeks out more information before making a decision. The closed-minded person has tunnel vision. – he or she sees only a narrow range of data and ignores the rest.
   Something that might surprise you is that most experts in cultural orientation consider the citizens of the United States and Canada to be closed-minded.
   Open-minded people are more apt to see the relativity of issues. They admit that they don't have all the answers, and that they need to learn before they can come to a proper conclusion. Frankly, there are not many cultures like that. Most cultures produce closed-minded citizens.

2) Another aspect of cognitive styles is how people process information. We divide such processing into associative and abstractive characteristics.
   A person who thinks associatively is filtering new data through the screen of personal experience. New data (we'll call it X) can only be understood in relation to similar past experiences (Is this new X more like A, or maybe B?). What if X is not like anything ever encountered before? The associative thinker is still going to pigeonhole that new data in with something else (X is just another B). On the other hand, the abstractive thinker can deal with something genuinely new. When the abstractive person encounters new data, he or she doesn't have to lump it in with past experiences (It's not A, it's not B or C—it's new! It's X!). The abstractive person is more able to extrapolate data and consider hypothetical situations ("I've never experienced X, but I've read about how such things might occur").

3) Obviously, no country has more than its share of smart (or dull) people. However, some cultures have come to value abstractive thinking, whereas others encourage associative patterns. Much of this has to do with the educational system. A system that teaches by rote tends to produce associative thinkers. An educational system that teaches problem-solving develops abstractive thinking. The scientific method is very much a product of abstractive thinking. Both northern Europe and North America produce a lot of abstractive thinkers.

13.1.2.2. Particular or Universal Thinking?

One final category has to do with how thinking and behaviour are focused. People are divided into particular versus universal thinkers. The particularistic person feels that a personal relationship is more important than obeying rules or laws. On the other hand, the universalistic person tends to obey regulations and laws; relationships are less important than an individual's duty to the company, society, and authority in general.

Not surprisingly, the previous categories tend to go together in certain patterns. Abstractive thinkers often display universalistic behaviour: It requires abstractive thought to see beyond one's personal relationships and consider "the good of society" (which is a very abstract concept).

Subchapter 13.2. The influence of culture on negotiation

13.2.1. Introduction: Negotiation strategies: What we accept as evidence

In general, let us assume that everyone acts on the basis of his or her own best interests. The question becomes: How do I decide if this is a good deal or not? Or, in a broader sense, what is the truth?

Different cultures arrive at truth in different ways. These ways can be distilled into faith, facts, and feelings. The person who acts on the basis of faith is using a belief system, which can be a religious or political ideology. For example, many small nations believe in self-sufficiency. They may reject a deal that is overwhelmingly advantageous simply because they want their own people to do it. It doesn't matter that you can provide a better-quality product at a much lower price; they believe it is better that their fellow citizens produce the product, even if they produce an inferior product at a higher cost. Presenting facts to such a person is a waste of time. His or her faith operates independently from facts. Clearly, people who believe in facts want to see evidence to support your position. They can be the most predictable to work with. If you offer the low bid, you get the job.

People who believe in feelings are the most common throughout the world. These are the people who "go with their gut instincts." They need to like you to do business with you. It can take a long time to build up a relationship with them. However, once that relationship is established, it is very strong. They aren't going to run to the first company that undercuts your offer.

13.2.2. The Influence of culture on negotiation

Cultural differences have been suggested to influence negotiation in 10 different ways [1]:

1. Definition of negotiation

The fundamental definition of negotiation, what is negotiable, and what occurs when we negotiate can differ greatly across cultures. For instance, "Americans tend to view negotiating as a competitive process of offers and counteroffers, while the Japanese tend to view the negotiation as an opportunity for information-sharing."

[1] Lewicki, Roy J.–Barry, Bruce–Saunders, David M. (2007): *Essentials of negotiation.* 4th ed., McGraw-Hill.

2. *Negotiation opportunity*

Culture influences the way negotiators perceive an opportunity as distributive versus integrative. Negotiators in North America are predisposed to perceive negotiation as being fundamentally distributive. Cross-cultural negotiations are influenced by the extent that negotiators in different cultures have fundamental agreement or disagreement about whether or not the situation is distributive or integrative.

Decision making in group-oriented cultures involves consensus and may take considerably more time than American negotiators are used to.

3. *Selection of Negotiators*

The criteria used to select who will participate in a negotiation is different across cultures. These criteria can include knowledge of the subject matter being negotiated, seniority, family connections, gender, age, experience, and status. Different cultures weigh these criteria differently, leading to varying expectations about what is appropriate in different types of negotiations. For instance, in China it is important to establish relationship connections early in the negotiation process, and selection of the appropriate negotiators can help with this.

4. *Protocol*

Cultures differ in the degree to which protocol, or the formality of the relations between the two negotiating parties, is important. American culture is among the least formal cultures in the world. A familiar communication style is quite common; first names are used, for example, while titles are ignored. Contrast this with other cultures. Many European countries (e.g., France, Germany, England) are very formal, and not using the proper title when ad dressing someone (e.g., Mr., Dr., Professor, Lord) is considered insulting. The formal call ing cards or business cards used in many countries in the Pacific Rim (e.g., China, Japan) are essential for introductions there. Negotiators who forget to bring business cards or who write messages on them are breaching protocol and insulting their counterpart. Even the way that business cards are presented, hands are shaken, and dress codes are observed are subject to interpretation by negotiators and can be the foundation of attributions about a person's back- ground and personality (items such as business cards are passed with two hands from person to person throughout Asia – using only one hand is considered quite rude).

5. Communication

Cultures influence how people communicate, both verbally and nonverbally. There are also differences in body language across cultures; a behaviour that may be highly insulting in one culture may be completely innocuous in another. To avoid offending the other party in negotiations, the international negotiator needs to observe cultural rules of communication carefully. For example, placing feet on a desk in the United States signals power or relaxation; in Thailand, it is considered very insulting. Clearly, there is a lot of information about how to communicate that an international negotiator must remember in order not to insult, anger, or embarrass the other party during negotiations.

6. Time sensitivity

Cultures largely determine what time means and how it affects negotiations. In the United States, people tend to respect time by appearing for meetings at an appointed hour, being sensitive to not wasting the time of other people, and generally holding that "faster" is better than "slower" because it symbolizes high productivity. Other cultures have quite different views about time. In more traditional societies, especially in hot climates, the pace is slower than in the United States. This tends to reduce the focus on time, at least in the short term. Arab-speaking Islamic cultures appear to focus more on event-time than clock-time where "in clock-time cultures people schedule events according to the clock; in event-time cultures, events schedule people." Americans are perceived by other cultures as enslaved by their clocks because they watch time carefully and guard it as a valuable resource. In some cultures, such as China and Latin America, time per se is not important. The focus of negotiations is on the task, regardless of the amount of time it takes.

7. Risk Propensity

Cultures vary in the extent to which they are willing to take risks. Some cultures tend to produce bureaucratic, conservative decision makers who want a great deal of information before making decisions. Other cultures produce negotiators who are more entrepreneurial and who are willing to act and take risks when they have incomplete information (e.g., "nothing ventured, nothing gained"). According to Foster, Americans fall on the risk-taking end of the continuum, as do some Asian cultures, while some European cultures are quite conservative (e.g., Greece). The orientation of a culture toward risk will have a large effect on what is negotiated and the content of the negotiated outcome. Negotiators in risk-oriented cultures will be more willing to move early on a deal and will generally take more chances. Those in risk-avoiding cultures are more likely to seek further information and take a wait-and-see stance.

8. Groups versus individuals

Cultures differ according to whether they emphasize the individual or the group. The United States is very much an individual-oriented culture, where being independent and assertive is valued and praised. Group-oriented cultures, in contrast, favour the superiority of the group and see individual needs as second to the group's needs. Group-oriented cultures value fitting in and reward loyal team players; those who dare to be different are socially ostracized – a large price to pay in a group-oriented society. This cultural difference can have a variety of effects on negotiation. Americans are more likely to have one individual who is responsible for the final decision, whereas group-oriented cultures like the Japanese are more likely to have a group responsible for the decision. Decision making in group-oriented cultures involves consensus and may take considerably more time than American negotiators are used to. In addition, because so many people can be involved in the negotiations in group-oriented cultures, and because their participation may be sequential rather than simultaneous, American negotiators may be faced with a series of discussions over the same issues and materials with many different people.

9. Nature of Agreements

Culture also has an important effect both on concluding agreements and on what form the negotiated agreement takes. In the United States, agreements are typically based on logic (e.g., the low-cost producer gets the deal), are often formalized, and are enforced through the legal system if such standards are not honoured. In other cultures, however, obtaining the deal may be based on who you are (e.g., your family or political connections) rather than on what you can do. In addition, agreements do not mean the same thing in all cultures. Again, cultural differences in how to close an agreement and what exactly that agreement means can lead to confusion and misunderstandings.

10. Emotionalism

Culture appears to influence the extent to which negotiators display emotions. These emotions may be used as tactics, or they may be a natural response to positive and negative circumstances during the negotiation. While personality likely also plays a role in the expression of emotions, there also appears to be considerable cross-cultural differences, and the rules that govern general emotional displays in a culture are likely to be present during negotiation.

Subchapter 13.3. How Hungarians do negotiate

13.3.1. Introduction: Tips on doing business in Hungary

– Remember that Hungary is a landlocked nation, although a limited amount of shipping is done via the Danube River, which passes through the capital, Budapest. Hungary's infrastructure of highways and railroads has been improved, however, many roads are still in need of upgrades.

– The Hungarian language is called Magyar and is difficult for outsiders to learn. Unlike most European languages, Magyar is not a member of the Indo-European linguistic family. It is a Finno-Ugric tongue, distantly related to Finnish and Estonian.

– When holding important business discussions through an interpreter, stop and reiterate points on a regular basis. This avoids misunderstandings. Magyar has suffixes that convey degrees of ambiguity and subtleties, which can easily be lost in translation.

13.3.2. Cultural Orientation

Cognitive styles: How Hungarians organize and process information

Hungary engaged in a degree of free-market enterprises before the collapse of Communism. Consequently, there is now an entire generation of businesspeople with experience in capitalism. Under Communism, the educational system taught most Hungarians to process information associatively. Today, between a more diverse educational system and training abroad, there are a substantial number of Hungarians who think more abstractly. Personal relationships tend to be valued more than stringent adherence to regulations.

Negotiation strategies: What Hungarians accept as evidence

The cataclysmic demise of the Communist Party as the ideological focus for all arguments has opened the door to other forms of reasoning. The more exposed to outside influences the participants are, the more they may use objective facts in their reasoning rather than subjective feelings or faith in the ideology of party or group. Intentions, feelings, and opinions are now openly expressed. Because it is considered better to be direct than devious, spontaneity of action is favoured. Surrounded by peoples (especially Slavs) who speak languages radically different from their own, Hungarians tend to feel isolated.

Value Systems: The basis for behaviour

With the fall of Communism, Hungary is now open to explore the values of other systems and is subject to all the internal turmoil this brings. The following three sections identify the Value Systems in the predominant culture – their methods of dividing right from wrong, good from evil, and so forth.

Locus of decision-making

As the movement toward freedom and privatization advances, it is putting the responsibility for decision-making on the shoulders of the individual. In many instances the individual may transfer this responsibility to the group as a whole or to a consensus of privileged individuals. It is not clear yet whether the model to be followed will be that of capitalist or socialist democracy.

Sources of anxiety reduction

Formerly, the party structure, power, and full employment were the primary stabilizing forces in the lives of the people. Now there is a great deal of day-to-day anxiety over job and family security. The family unit is still recognized as a stabilizing force in society. Hungarian churches, which have always been influential in family life, are taking a more active role. Except for a minority of successful entrepreneurs, Hungarians tend to have low expectations out of life. For example, when Hungary joined the European Union, most Hungarians surveyed said that they thought EU membership might bring a degree of prosperity to future generations, but not to their own.

Issues of equality/inequality

The removal of Communist Party control has allowed perceived feelings of inequality to surface. Ethnic disputes have become visible, along with humanitarian needs for equality and the establishment of strong, hierarchically structured systems in government, business, and society. While Hungarian women hold important positions in academia and various professions, business is still dominated by men. Although Hungarian tradition demands that men treat visiting women with great courtesy, this does not apply to the women they see on a daily basis. In mixed company, men tend to dominate the conversation.

13.3.3. Business Practices

Punctuality, appointments, and local time

– Punctuality is expected in all matters related to business: appointments, deliveries, payments, and so forth.

– Establish a relationship with a Hungarian representative prior to your visit. This individual can initiate contacts for you and accompany you to your appointments. Select this contact person carefully, because your new Hungarian clients will expect you to keep that representative ad infinitum.

– Request your appointment via e-mail or by regular letter as far in advance as possible. Always reconfirm the day before the meeting.

– Business letters may be written in English. While all businesses can translate letters from English, not all of them have staff members who can speak it. Consider hiring an interpreter.

– Avoid making business trips to Hungary during July and August, and from mid December to mid-January. These are holiday and vacation periods.

– Hungary is one hour ahead of Greenwich Mean Time (G.M.T. +1) and six hours ahead of U.S. Eastern Standard Time, (E.S.T. +6).

Negotiating

– It is difficult to predict how long it will take to negotiate a deal. Under the Communists, any type of contract would take months. However, some of Hungary's entrepreneurs will be anxious to move quickly.

– Whether fast or slow, deals in Hungary cannot be finalized without a lot of eating, drinking, and entertainment.

– Except for businesspeople trained abroad, Hungarians do not tend to stick to a linear agenda. Foreigners may perceive a Hungarian business meeting as loud and disorganized. Despite this perception, Hungarians are effective at accomplishing their goals.

– Have someone in your party take notes during meetings.

– Bring plenty of business cards, and give them out to everyone you meet.

– If you speak English, it is not necessary to have your business card translated into Hungarian. Indeed, Hungarian has many foreign loanwords, so your title in English may be similar to what it would be in Hungarian.

Business entertaining

– Hungarian hospitality is legendary. You will have to fight with your Hungarian counterparts to pay a bill.

– Meals are primarily social occasions. Very little can be accomplished during a lunch, and nothing related to business should be brought up at dinner.

– Expect dinners to last a long time; restaurants usually have musicians or entertainers in the evening.

– If your schedule will not permit a full night's entertainment, suggest a business lunch instead.

– Once you have signed or completed a contract, throw a cocktail party at a prestigious hotel.

– Hungarian food, wine, horses, and sightseeing are good topics to discuss. So are sports: football (soccer) is the most popular sport, and chess is a national preoccupation.

– Hungarians consider themselves a "nation of horsemen." If you get outside the city, invitations to go horseback riding are not uncommon.

Protocol greetings

– A handshake is customary not only when being introduced, but also when departing. Men sometimes wait for women to extend their hands before shaking.

– Only close friends will greet each other with an embrace. For men, the sequence goes as follows: shake hands, embrace, and make cheek-to-cheek contact on the left cheek, then on the right cheek. Close female friends do the same but omit the handshake.

– Hungarians typically "talk with their hands," using a lot of gestures.

– Personal space is small in Hungary; people talk at a closer distance than is common in northern Europe or North America.

– Extended eye contact is expected. Failure to meet a Hungarian's gaze will convey that you are untrustworthy.

Titles/Forms of address

– Relatives and close adult friends address each other on a first-name basis; they will also call children by their first names. Young people typically use each other's first names. However, it is prudent to address adults by their titles and surnames until you are invited to do otherwise.

– In Hungary, the surname is listed before the given (first) name. Thus, the Hungarian musicians Béla Bartók and Franz Liszt are known in their homeland as Bartók Béla and Liszt Franz (or, more precisely, Liszt Ferenc, since Ferenc is the Hungarian equivalent of Franz). Foreign names, however, are listed in the order that is customary in their country of origin.

– Always use professional titles (Doctor, Director, Minister, and so forth) when addressing someone. Either use a title and surname (Professor Szabo) or add "Mr.," "Mrs.," or "Miss" to the title (Mrs. Architect).

Gifts

– When visiting a company, it is not always necessary to bring gifts. However, if you do, bring many small gifts and give them out freely.

– Because of a housing shortage, you may not be invited into a Hungarian home. This is especially true in Budapest, where some 20 percent of the total Hungarian population resides. If you are asked to visit, Western liquor (not wine, as Hungarians are proud of the wines they produce) and wrapped flowers (but not red roses or chrysanthemums) are appropriate.

Dress

– Dress tends to be conservative, especially among businesspeople.

– Appropriate business dress for men is a dark suit, a white shirt, and a tie. Women should wear suits or dresses.

– Jeans are standard casual wear. Shorts are somewhat uncommon in the city and are best reserved for the beach or the countryside.

– Standard business wear is appropriate for formal social occasions, restaurants, and the theater.

– Hungarians enjoy dressing up for their many formal events. Dark suits, tuxedos, and formal gowns are popular.