ENHANCING THE EFFECTIVENESS OF ORGANIZATION’S ACTIVITY BY BUSINESS NEGOTIATION

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Processual and systematic approach of negotiation is necessary for development in organization’s framework of a negotiation culture. Using ISO’s 9001-2008 international standards’ requests, the organizations from the Republic of Moldova can both create and develop practical abilities of successful training and development of negotiation, which in its turn will allow enhancing the competitiveness to both national and international level.

At the present moment, more and more scientists pay attention to quality’s management system. However, quality’s management systems are being implemented in different domains, companies, state enterprises, institutions, etc. On the basis of this article, stands the processual and systematic approach of the negotiation process, in the vision of international standards Series ISO 9000.

The negotiations between economic agents are actions where confront the request with the offer in order to conclude to a mutually advantageous understanding, namely in signing a purchase-sale agreement.

Negotiation represents the specialized communication, which requires learning, experience, talent and morality. Negotiation represents the way of communication, which implies a communicative, dynamic, adjustment process, of establishing the agreement in the case of appearing interest disputes, by which two or more parties, animated by different motives and having own goals, mediate their positions in order to get to a mutual satisfying understanding. From all the ways of communication, the negotiation is the only which apriori recognizes for following a specific interest. In order to be something else than egoism, the actions which are connected with negotiation should admit from the start, that there is anything more normally for the partner or for the partners, to follow the same goal, but from their point of view – their interest. Now, we are far away from the confusion, which can be made by some persons between negotiation and dealership, not to mention the serious slipping to fraud1.

For Gary Johns, negotiation represents a decisional process between interdependent parties, which don’t share identical preferences. In negotiation, which is a democratic way of confronting you adversary (partner), the communication take place between equals, meaning, the defeated has nothing to negotiate, he can’t raise claims, everything is offered represents winner’s gift. Communication implies power reports between partners, and the transactions (trades) which take place between them, can be symmetrical or complementary. This means, that the ideal of making a report of full equality between interlocutors is utopian.

The negotiation term – with today’s near sense – appears noted in the 6th century b.C., in ancient Rome, in the time when the plebs of the fortress, reach people, free citizens, but not nobles, where obliged to deal private business or had to fulfill certain public functions.
They, themselves nominated the activity which they practiced by denying the term which consecrated the patricians, a denial, which still brought them closer to these ones, calling it “negotium” (necotium) – an activity which is neither a delight, in all its meaning, though it has something from it, but neither work in all its meaning. “Negotium was an activity which could bring not only a specific satisfaction to the one who practiced it, insuring its interest of goods, but even a delight cause of the fact that these goods were obtained by means of an activity which didn’t require for a particular effort: only verbal communication, sometimes in written form with their fellows.”

It is important to mention that in the process of negotiation, we have a mutual advantage. In principal, within the framework of negotiation, each of the parties adjust its claims and reviews its main objectives. This way, in one or more successive rounds, is being built the final agreement, which represents a “satisfactory compromise” for all of the parties. So, the negotiation works according to the principle of mutual benefit. According to this principle, this agreement is a good one, when all the negotiating parties have something to win and none of them something to loose. Any of them can obtain the victory, without anyone to be defeated. In the case, when all the parties win, all of them support the chosen solution and respect the concluded agreement. The principle of mutual advantage (WIN-WIN) doesn’t exclude the fact, that the advantages obtained by one of the parties, to be bigger or smaller than the advantages obtained by the other party or parties, which participates to negotiation. In bussiness negotiation, like in any other form of negotiation, each of the parties follow for the advantages which could satisfy its own expectancies. This thing shouldn’t be forgotten, neither convicted by the negotiating parties.

In the psychology of communication, it is being mentioned a such called psychological Law of reciprocity, a law, according to which, if someone takes or gives something, the partner will automatically feel the wish of taking or giving something in return (Bruno Medicina, Manipulate si evitati sa fii manipulati, Idei de afaceri, anii 1996 si 1997 / Bruno Medicine, Manipulate and avoid being manipulated, bussiness ideas, years 1996 and 1997). Even, we don’t give something in return, effectively we still get the feeling that we owe, that we should give. As a result of this psychological law’s subtle action, any form of negotiation is governed by the principle of compensatory actions. The consequence is the concessions, objections, reciprocity, threatening and punishments’ reciprocity. Latin expressions of this principle, are: “Du ut des” and “Facio ut facias”. This principle can be searched in expressions, like: “I give if you give”, “I do if you do”, “I give for you to give”, “I do for you to do”, “If you give more, I will do the same” or “If you make concessions, I will do as well”, “If you have any pretentions, I will have too”, etc.

All those mentioned above, directly or indirectly, have tangency with the standard for the quality’s management system ISO 9001. This standard is based on eight principles: customer orientation, leading style, staff’s implication, process management, management’s systematic approach, continous improvement, decisions based on facts, mutually advantageous relationships between the suppliers. From all these principles, the customer orientation and mutually advantageous relationships between the suppliers,are the ones which motivate the organizations which implement a quality’s management system to “negotiate” both with the customers and the suppliers.

Being a standard, which is oriented to efficacy, which doesn’t oblige for efficiency although there are authors which consider that there is no difference between them, the companies manufacturing or providing services are being in a continous process of communication (negotiation) with the customer, in order to determine its necessities.
The organization has to determine and implement efficient modalities for communicating with the customers, regarding the information about the product, treating the offer requests, of the orders or agreements, including their amendments and the feedback from the customer, including this one’s claims. Before manufacturing a product for the customer (the standard provides the fact that there where we meet the product term, this one can be taken as service as well) the organization has to determine the requests specified by the customer, including the requests regarding delivery and post-delivery activities, requests unspecified by the customer, but necessary for the specified or intentioned use, in case when this one is known, legal and regulatory requests regarding the product and any other supplementary requests, determined by the organization.

Therefore, the organization has to negotiate with the customer:

- The requests, demanded by the customer, including the requests regarding delivery and post-delivery activities;
- Customer’s unspecified requests, but necessary for the specified or intentioned use, in case when this one is known,
- Other supplementary requests, determined by the organization

The organization has to announce and warn the customer: the legal and regulatory requests. From the point of view of the systemic approach, and taking as referential the ISO 9001-2008 standard, we consider that the organizations, which are oriented to efficacy, have to determine more requests for the negotiation process, both with the customers (consumers) and the suppliers. From our point of view, these could be presented this way:

- Reference documents for negotiation (regulations, sheets, national and international laws, conducting codes, statistical information, reports, etc.).
- Responsibilities and authorities in the negotiation process (distributing the roles, establishing the responsibles in the case of exceeding the predetermined limit, establishing clearly each person’s responsibility (financial, judicial and organizational aspects, forming a team spirit (loyalty, mutual support), minimizing the possibility of conversation’s monopolization by a single participant, removing the probability of “misunderstandings” between the team members). It is necessary to effectuate some analyses of negotiations, effectuated in the past, for formulating improvement proposals of negotiation process.
- Necessary resources (human resources (competence, training and experience), negotiation’s necessary infrastructure (location, furniture), financial resources and labour environment where will take place the negotiation process).
- Negotiation’s planning. (Planning the necessary activities for negotiation’s realization, effectuating the registrations during the negotiations’ realization, checking the negotiation’s development process, establishing the confidentiality requests (customer’s property), determining customer’s (supplier’s) request and presenting the limits (requests) of the organization participant to negotiations.
- Negotiations’ measurement, analysis and improvement. After the realization of some negotiations (with or without concluding the collaboration agreements) the organization has to perform an analysis of these negotiations, including by studying customers’ (suppliers’) perception to these negotiations. At the same time, it has to undertake actions for correcting or preventing some errors, deviations for further negotiations.
From processual approach’s point of view, the process of negotiation could be presented in the following way:

![Diagram of negotiation process](source)

**Figure 1. Processual approach of the negotiation process**

The negotiation process is hardly to palpate during its process. The palpable result, but not always final, can be reached in the agreements concluded with customers/suppliers, both legal and physical persons. Therefore, the unwritten rules exist in “agreements”, even these are not included there. An this way, aspects like loyalty, kindness and respect, are rarely (or even never) met in agreements. By analysing approximately 250 agreements from the framework of LLC Company “Axisconst” (trademark ARTIZANA), we have chosen few persistent elements in its agreements, which in their turn characterize the negotiation process:

1. Object of negotiation
2. Prices and the order of making payments
3. Domain (territory) of using the exclusive rights
4. Rights and obligations of the parties
5. Receiving the goods by the customer
6. Warranties of the quality
7. Agreement’s validity term
8. Solving the disputes
9. Penalties and sanctions
10. Term of delivery
11. Transportation conditions and responsibilities
12. Delivery and good’s transmission order
13. Other conditions, special conditions
14. Force majeure situations
15. Final conditions
16. Bank requisites and addresses
17. Signatures

Obviously, each of these points can and represents the object of negotiation. And, depending their result, is also company’s efficiency, efficacy and competitiveness.

If, we make reference to quality’s management system according to ISO 9001-2008, than in each company have to establish employees’s responsibilities and empowerments for each of these points, because the quality of these products/services depends of each person in particular.
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