

Self-appraisal paper essay sample



Negotiation is one important part of both the professional and personal life in our everyday situations. It is critical for people to resolve disputes, distribute limited resources, and/or create something new that neither party could achieve on his or her own. Negotiations can range from coordinating project timelines with clients to asking for a raise to discussing holiday plans with family members. I used to think that some people were born good negotiators and people like me were simply bad at bargaining for anything and there was nothing that we could do about it. After taking the Managerial Negotiation course, I realize that I was wrong and negotiations skills are not inherited, but can be developed over time through systematic training and ongoing practice. I believe that by writing this paper, I will be able to better understand my own negotiation style and how I should improve myself to become an effective negotiator in the future.

My Negotiation Style

Prior to taking the Managerial Negotiation course, I divided people into either tough or soft negotiators. I thought only tough negotiators were able to gain more in the game, and I perceived myself to be rather weak in negotiations. This course helped me develop new perspectives to look at my own inherent characters which can be leveraged or improved for better negotiation outcomes. With my analytical social style, I always want to enter a meeting or discussion well prepared. Preparation before negotiations allows me to back up my positions with solid supporting arguments, which shows my sincerity and cooperative attitude to the other parties. However, from this course and the interactive exercises, I realize that I should be more skillful in pre-negotiation preparation, details of which are discussed in a later section.

I also have a very good reputation of being honest and fair, which helps me build trust and rapport with people over time. Good relationships can go a long way, and lead to reciprocal trust and credible information sharing, which is key to optimal outcomes in negotiations.

During the first in-class exercise of Bradford Development where I took the role of the mayor's representative, the developer accepted my first counter-offer of \$360, 000 for the linkage payment after I logically talked her through all my supporting arguments. She commented during class discussion that it was because she knew me well personally and she trusted that I was a fair person who would not ask for an unreasonable price. This exercise was conducted before we started learning any negotiation skills and I did not re-anchor with an extremely high first counter-offer right after hearing her opening offer of paying nothing. The counterparty's trust in me saved me from substantial losses that could have happened if she aggressively slashed the price I offered. On the other hand, I found it difficult to strike a perfect balance between being open and honest and withholding sensitive information. My openness sometimes exposes me to the risk of other parties taking advantage of the information asymmetry. I also tend to easily believe anything the other party tells me.

For example, once I truthfully answered all questions a seemingly friendly property agent asked including my annual income and reasons to move, when I was urgently looking for an apartment to rent in a new city. I ended up in living at a less convenient location and paying a monthly rent at least \$300 above the market price. After all the in-class simulations and discussions, I understand that negotiations are evolving processes, and I

should observe the progress and only reveal information gradually when mutual trust is built and more information has been obtained from other parties. In the course of communication, I should try to obtain as much information as possible, so as to figure out the other parties' true intention, reservation point, constraints and resources, and a lot more. Another weakness of mine is that being a woman, my naturally soft voice makes me appear to be lack of confidence and weakens my power in the conference room.

Also, I tend to frequently use expressions such as “ I guess...”, “..., right?” and “ I feel that... ”. These kind of minimalizing expressions greatly weaken my vocal power in the dynamics of a negotiation situation. While simply mimicking the other party's power poses when negotiating is not helpful, it can be effective to show confidence and help develop a persuasive presence if I can use more power poses during interactions with other people outside the meeting room. I should also strengthen my vocal presence by being firm when presenting ideas. The power dynamics in negotiations is very important because it can give one negotiator preemptive advantages. There are different sources of power, and a more confident personality can help gain stronger perceived power in negotiations. A better understanding of my own strengths and weaknesses will definitely be helpful for me to build on my strengths and apply the negotiation strategies learnt in the Managerial Negotiation course.

Key Takeaways from This Course

Pre-Negotiation Preparation

Pre-negotiation preparation is essential for the optimal outcome of a

<https://assignbuster.com/self-appraisal-paper-essay-sample/>

negotiation, as it allows one to design a strategy and plan that can increase the probability of a beneficial agreement. Good preparation means thorough understanding of one's own and the other party's relevant information, including interests, constraints, and tradable resources. An effective negotiator should know one's own best alternative to a negotiated agreement (BATNA), and set his/her reservation point based on the BATNA. An ambitious yet discussable aspiration point should be selected to open the first offer too. It is equally important to know as much as possible about the other party's BATNA and reservation point, so that the bargaining zone can be identified and the potential can be measured. It is also helpful to gather information about the other party's negotiation style and reputation. Prior to the course, I was biased that negotiations were more about claiming value rather than creating value. Now I understand that I should look at negotiations as opportunities, and I was surprised to learn that there are actually so many situations where joint gain is possible if creative settlement can be reached.

Not all negotiations are about how to divide a fixed-size "pie"; some are about how to expand the "pie" so that each party benefits. It is crucial to identify before the negotiation whether it is distributive or integrative bargaining, or a mix of the two, as different tactics and strategies should be used in different situations. Preparation is extremely important for integrative bargaining, issues including each party's interests, resources and compatibility and priority of various tradable issues should be analyzed creatively. Ideally, package offers which contain different position combinations on multiple issues should be prepared ready to present to the

other party. Just like in the remuneration package negotiation exercise we did in class, as the candidate, I prioritized my own interests and tried to anticipate the recruiter's preferences.

However, I lost sight of the overall picture and focused too much on issues with greater weighted points such as bonus, salary and moving expenses. On the other hand, my counterparty who took the recruiter role prepared different packages that can maximize his payoffs. Those multiple equivalent simultaneous offers (MESOs) greatly increased the likelihood of reaching an agreement that is beneficial to him. Due to my less tactful preparation and time constraint, we settled at an agreement that was away from the Pareto Efficient Frontier, and the well-prepared recruiter managed to claim greater value from the negotiation.

Tactics during Negotiation

It is important to enter a negotiation with the right attitude. Over-competitive or even combative behaviours can be counter-productive and jeopardize the relationship. In the end, we should try to develop and maintain relationships while negotiating rather than burning bridges on the way out of the meeting room. Therefore, in the process of negotiation, the negotiators should be firm about their primary interests and needs, but stay flexible enough to make bi-lateral concessions. In the Texoil Corporation case where I took the role of the station owner, we ended up in impasse at the end of the first attempt of negotiation, mainly because both of us were too aggressive and wanted to force the other party to compromise. However, the bargaining zone in that particular case was very narrow, both sides would have to compromise in order to reach an agreement. Sometimes, our egos

can make us walk away from profitable deals. As mentioned above, mutual trust is crucial as potential conflicts are one of the biggest obstacles in negotiations. I am good at developing relationship with people over time, however, how to quickly build rapport, especially in a situation where clearly there is a conflict of interests?

I recently applied what I have learnt in class and successfully secured a deal for a friend who runs her own website design business. She asked me to lead the meeting because this potential deal was for a newly started foreign exchange trading firm. As an experienced finance professional, I would be able to better understand the client's needs and talk in the same language. After entering the client's office, I noticed the marathon medals hanging on the wall, so I asked him about those races. He was obviously very happy that I noticed his achievements in running. That conversation quickly created a bond between us as both of us are active in endurance races. During the meeting, I consciously applied active listening skills such as smiling, constant eye contact, leaning slightly forward to show attention, and mirroring his facial expressions and tone of voice. I also tried to repeat or rephrase what he said and explained to him how we would be able to customize the design for his website and address all his requirements.

I opened at a fairly high price, which could be out of the bargaining zone and higher than an alternative offer that he could get from other provider. I probed further about that alternative offer, and explained how our services would be able to better meet his needs. In the end, we were able to settle at a slightly lower but still very favourable price after the two-hour meeting. The entire meeting was an ongoing exchange of information, and I felt the

<https://assignbuster.com/self-appraisal-paper-essay-sample/>

mutual trust was built between the two parties, which well facilitated the process to reach our goal of securing that deal at a good price. The first extreme offer also helped to influence the client's expectation and push for a settlement closer to his reservation point with the anchoring effect. All the strategies that I have recently learnt in class clearly worked in the real world!

Multi-Party and Team Negotiations

The complexity increases dramatically in multi-party and team negotiations, as more issues, positions and negotiation styles are brought to the table. It is harder to anticipate the interests and positions of each party, and negotiators have to monitor the moves of several other parties and decide how to react. Sometimes it can be very difficult to reach consensus within the team before and during the negotiation. All these potential issues calls for outstanding people management skills and teamwork spirit. Before negotiating, information about the different parties' and potential team members' interests and skills should be collected and analyzed. Based on this information, we can select our teammates or reach out to potential alliances. In the Winemaster acquisition simulation exercise, Varun, Shahzain and I formed the Homebase team and leveraged each person's strengths. I was responsible of all quantitative analysis such as calculation of comparable prices and designing different package offers.

Varun focused on qualitative analysis and organized various evidences that we could use to bargain for a lower price. Shahzain was the toughest negotiator among us, and acted as the main spokesperson during the meeting. We collaborated throughout the entire process and managed to acquire Winemaster at \$8 million in shares vested at the end of two years,

plus board seat and legal liability. The total payoff of our team was the highest in our section. I believe the opposite team's failure was in part due to their dysfunctional team dynamics. One of their team members was very distracting with his side comments, and made a few careless mistakes in his arguments. However, his teammates did not try to change or control his behaviour. We could sense that his teammates were unhappy about this person, but they remained silent and let him continue to lead the conversation in a less tactful way. Our team certainly took the advantage of their internal disunity and won the deal.

The dynamics of a multi-party negotiation is even more complex. In the Harborco case, several side-bar conversations were conducted before the formal meeting started, and coalitions were formed. However, the preferences of different parties within one coalition may diverge at certain point of time. For example, representing other ports, I formed coalition with the environmentalist and the union representative in the early stage; however, I actually wanted to lead the negotiation into an impasse while they wanted an agreement. I learnt from this experience that individuals need to be mindful of other parties' underlying interests rather than their stated positions.

Conclusion

To a great extent, this course changed my view on negotiations and provided me a continuous learning experience with a number of exercises. Not only did I learn about myself and other people's behaviours in negotiations, but also learnt some very important concepts. The course taught me effective strategies to negotiate and allowed me to analyze my

skills and weaknesses with new perspectives. My perception of good negotiators has been changed, as negotiations depends on many elements rather than a tough personality. Negotiation is both an art and a science – there are so many variables, potentials, and opportunities when negotiating. Everybody should leverage their own unique personality and apply different strategies in different situations. One important lesson that I have learnt is that having a no agreement is better than a poor one, a concept often hard to conceive.

Understanding this provides me the confidence to walk away rationally for a better option. Outstanding communication and interpersonal skills and integrative analytical skills can be very useful in managing information and people in negotiations, especially in situations with great uncertainty.

Looking ahead, I am confident that I will continue to build on my negotiations skills. I am now more aware of negotiation opportunities and will be able to consciously apply the tactics learnt in class in real-life situations. I believe the best way to train myself into a better negotiator is to keep practicing in various situations and learn from experiences. Moreover, advanced level negotiation and leadership courses provided in the second year will be helpful for me to further hone my soft skills through professional training too.