



Negotiating a Business Deal



Welcome to **the 61st episode** of Golden Talk, brought to you by the **Iran-Australia Language Institute**. I'm **Dr. Alikhani**, the creator and organizer of the Golden Talk series. In Golden Talk, we aim to provide our audience with opportunities to notice English in the context of real-life situations and topics, offering them authentic language exposure. We also focus on helping our audience learn to develop their thoughts, take turns in conversations, and enhance their communication skills. Meanwhile, we also feel responsible for raising awareness about topics that impact our lives, encouraging our audience to practice arguing for or against ideas and to develop their critical thinking skills. In this episode, titled "**Negotiating a Business Deal**," we've unpacked the complexities of making good business deals, showing how important and useful these skills are – not just at work but in daily life, too. We're giving our listeners the know-how to tackle negotiations with confidence.

Ideas in Conversation

Read this conversation between a radio show host and a psychologist about *negotiating a business deal*.

Jeremy: Good evening, folks! Welcome back to the Golden Talk show. I'm your host, Jeremy, and tonight, we're diving into the art of negotiation **in the business world**. Joining us is Alex, a specialist in corporate negotiations. Alex, great to have you **on** the show.

Alex: Thank you, Jeremy. It's a pleasure to be here and discuss a topic that's both an art and a science.

Jeremy: Let's **kick** things **off** (=start) with a straightforward question: What's the key to a successful business deal?

Alex: Great question. The key, I believe, is aiming for a **win-win situation**. It's crucial that both parties feel they're getting value out of the deal. This approach fosters long-term relationships and trust.

Jeremy: Speaking of trust, the two parties of negotiations sometimes **push their demands to the limit** to get the best possible deal for themselves. How do you handle individuals who **play hardball** in negotiations?

Alex: Playing hardball is part of the game. It's about being determined and sometimes **uncompromising**. However, the goal remains to reach an agreement that benefits both sides. It's important not to confuse **firmness** with **inflexibility**. Personally, I focus on **strategic patience** and active listening. I try to carefully understand their demands and the reasons behind them. I then propose creative solutions or alternatives that address their core needs while also **safeguarding** my interests. It's about **finding common ground** and showing them the benefits of a more collaborative approach. Sometimes, just demonstrating your willingness to understand and **work towards their goals** can **soften their stance** and lead to a more productive negotiation.

Jeremy: Have you ever encountered situations where one party tries **cutting corners** to get ahead, essentially trying to achieve their goals more quickly or cheaply by reducing quality or **bypassing** standard procedures?

Alex: Absolutely, it's unfortunately a common mistake in the **corporate world**. Companies or individuals often try to cut corners to save time or money, but this approach can **seriously compromise** the quality of the work or the product. It's a short-term gain for a long-term loss, as it can **damage reputations** and relationships with clients or partners. Maintaining high standards is crucial for long-term success and trustworthiness in any business.

Jeremy: Next up, we have a caller on the line. What's your question for Alex?

Caller: Hi, Jeremy and Alex. I'm in the middle of negotiating a contract for my services, but I feel like the other party isn't valuing my work properly. Their offer seems way too low. How should I handle this?

Alex: Thanks for calling in with your question. It sounds like you've received what we call a **lowball offer**, which is an offer that's significantly lower than what your service or product is worth. It's a tactic some people use to start negotiations **with the hope that** you'll **negotiate down** from your **initial expectations**. My advice is to not take it personally. Instead, respond with a **counteroffer** that clearly outlines the value you bring and justify why your asking price is fair. There's no need to be afraid of losing the job offer or **jeopardizing** (putting at risk) the negotiation. Never be afraid of negotiating.

Jeremy: Wise strategy! So, she basically needs to practice **standing firm on her ground**. Here's my last question, Alex: Once you've navigated through these challenges, how do you **seal the deal** and finalize everything?

Alex: Sealing the deal often requires **meeting halfway**. It's about compromise and finding that **sweet spot** where both parties feel satisfied. Once there, it's just about **signing on the dotted line** to formalize the agreement.

Jeremy: I know it was going to be my last question, but here's one more: What if things don't go as planned?

Alex: Then it's **back to the drawing board**. Not every negotiation will be successful, but each is a learning experience. Always be prepared to **put your cards on the table** when necessary. Keep your eyes on the prize and focus on the **ultimate goal**.

Jeremy: Wise words, Alex. Thanks for sharing your insights and making this complex topic a bit more approachable for us all.

Alex: My pleasure, Jeremy. Thanks for having me.

Jeremy: To our listeners, keep negotiating your path to success. And as John F. Kennedy once said, “*Let us never negotiate out of fear. But let us never fear to negotiate.*” Until next time, this is Jeremy signing off from the Golden Talk show. Goodnight!

Useful Language

- **win-win situation:** A scenario where both parties benefit from the deal.
 - **Example:** *We aim for a **win-win situation** where both our company and the client benefit.*
- **hardball [informal]:** negotiating in a very determined and uncompromising way, playing tough in order to get what you want.
 - **Example:** *They're **playing hardball** on the price, not giving us any discounts.*
- **cutting corners [Informal]:** Trying to do something as cheaply or quickly as possible, often sacrificing quality, doing things cheaply to save money, which might not be a good idea.

- **Example:** *We don't want to **cut corners** on this project and end up with a bad result.*
- **lowball offer:** An offer that is deliberately much lower than the value of the item or service, making a very low offer to start the negotiation.
 - **Example:** *They started with a **lowball offer**, hoping we would negotiate down from our price.*
- **set the negotiation floor:** Establishing the lowest acceptable terms in a negotiation.
 - **Example:** *In our talks with the supplier, we **set the negotiation floor** at a 10% discount on bulk orders to ensure we still get a fair deal even after bargaining.*
- **seal the deal** (Informal): To finalize an agreement, to complete the agreement or make it final.
 - **Example:** *After weeks of negotiation, we finally **sealed the deal**.*
- **back to the drawing board** (Informal): To start over because the current idea or plan isn't working, to start again from the beginning because the first plan failed.
 - **Example:** *The negotiations fell through (=failed), so it's **back to the drawing board** for us.*

- **meet halfway:** When both sides give up something or compromise in order to reach an agreement, to
 - **Example:** *We're willing to meet halfway on the price if you can guarantee faster delivery.*
- **on the table:** When an offer or idea is presented and available for discussion.
 - **Example:** *All our proposals are on the table for the next meeting.*
- **ball's in your court** (Informal): It's your turn to respond or make a decision.
 - **Example:** *We've made our final offer, the ball's in your court now.*
- **breaking the ice** (Informal): Starting a conversation or interaction in a friendly way to ease tension, doing something to make people feel more comfortable.
 - **Example:** *He started the meeting with a joke, just to break the ice.*
- **counteroffer:** A response offer made after rejecting an initial offer
 - **Example:** *After receiving the initial salary offer, she made a counteroffer asking for a higher base salary plus additional benefits.*
- **sign on the dotted line** (Informal): To officially agree, especially by signing a contract/document

- **Example:** *Once we **sign on the dotted line**, the project officially begins.*
- **a tough nut to crack** (Informal): A problem that is hard to solve or a person who is difficult to understand/negotiate with
 - **Example:** *This client is a tough nut to crack, but I'm sure we'll find a way to work with them.*
- **put your cards on the table** (Informal): To be open and honest about your intentions or resources.
 - **Example:** *Let's put our cards on the table and discuss what we can really afford.*
- **eyes on the prize** (Informal): To focus on the ultimate goal and not get distracted, to keep your main goal in mind.
 - **Example:** *Despite the setbacks, we need to keep our eyes on the prize and secure this deal.*



Discussion Questions

Read the following discussion questions and think about them.

1. Can you share a strategy for dealing with counterparts who **play hardball** during negotiations, especially when it comes to pricing?
2. How do you respond to a **lowball offer** without **jeopardizing** (putting at risk) the negotiation process?
3. At what point in a negotiation do you **set the negotiation floor**, and how does this help in reaching a favorable agreement?
4. Could you give an example of a negotiation you were part of that almost failed, and how you **sealed the deal** (finalized) in the end?
5. Discuss a time when meeting halfway in negotiations proved to be the key to reaching an agreement. How did you decide what compromises were acceptable?
6. After making a **final offer** and **putting the ball in the other party's court**, how do you maintain a position of strength while waiting for their response?