Significance of Negotiation Skills for Bangladeshi HR Manager in Private Business Organization

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ABSTRACT

Negotiation is a valuable skill in every part of life. It is most enjoyable when the conflicting parties gain something and develop positive working environment. Negotiations in conflicts management have been widely studied by many scholars around the world. But not much of research is carried out for the negotiation skills requirement of Bangladeshi HR professionals. Conflict results in poor work performance and low productivity; therefore, it's suggested to acquire knowledge on negotiation skills for all HR professionals in the early stage of their career. This research provides a holistic view of the causes and effects of negotiation and its skills required for Bangladesh private business organization. An effort has been taken to know as to how HR managers can resolve the conflicts effectively. Fifteen experienced HR professionals were gathered together to discuss the issue while a presentation was made on "Getting to Yes: Negotiating Agreement Without Giving In" by Roger Fisher and Willium Ury (1991). The model or theory that is discussed in this paper may be helpful for the HR professionals of Bangladesh.

Introduction

Negotiation, a way to resolve conflicts or disagreements or divide resources among two or more parties, carried out willingly by free choice (Zohar, 2015). Interpersonal conflict is an essential, ubiquitous part of organizational life. In fact, given the current business trends toward workforce diversity, globalization, and joint ventures, how managers from different organizations and culture deal with conflict is an increasingly important predictor of organizational success (Tjosvold 2008). As stated by Gibson, (2006); "conflict is the lifeblood of vibrant, progressive and stimulating organizations. It sparks creativity, stimulates innovation, and encourages personal involvement". Workplace conflicts grow silently, not giving any light while growing up. A manager at business organization needs to deal with conflict very often. His ability to assess the situation, taking control and negotiate with the counterpart largely depends on the knowledge of negotiation technique. The business world of today is changing constantly. Mahmoodi (2012) opined that the best way for people to deal with their differences is by negotiating. Negotiation is something what someone ones to gain from others. People negotiate with each other every day even when they do not realize it. They negotiate with family members, friends, salesmen, boss and businesses. Everybody is negotiator but for the purpose of getting better, one needs to practice and practice (Mahmoodi, 2012). Basically this study is undertaken to give some highlight on the requirement of negotiation skills for Bangladesh HR managers and suggest a negation model. Finally it is found that Bangladeshi HR professional should try to make more endeavor to gain professional knowledge. The suggested model may be helpful for to begin a window of learning negotiation process.

Problem Statement

An HR manager always needs to negotiate to keep the organization wheel running. It becomes significant to the HR manager to remain up to date about the situation and if conflict arises he or she invest his best technique to gain the maximum benefit using the negotiation skills. Bangladeshi private and public business organization often suffers with workers unrest, conflict between and within group of companies and interest persuasions with government stakeholder. Situation becomes worse when the governing body tends to look for one time solution for problems or conflicts. In public sector; security forces and political pressure are often used to deal with conflicted situation. However in private business it is the lone HR manager who needs to find ways and means to negotiate with the counterpart. Therefore it becomes very important that HR manager of Bangladeshi private business organization become familiar with the negotiation skills. A good number of research has been done in human resource management field but unfortunately not a single write up could be identify on the requirement of negotiation skills of HR manager of Bangladeshi business organization. For this reason this study tries to identify the significance of negotiation skills for HR manager of Bangladeshi private sector business organization.

Literature Review

The researchers tried to find out literature about the negotiation skills of Bangladeshi HR manager. There is not much of research carried out on this topic in the context of Bangladesh. Therefore an effort has been taken to study the literatures on negotiation skill requirement in other country and platform. Robinson. et. al. (2001) reported that Human Resource Development (HRD) professionals are expected to be proficient in all interpersonal skills, they obviously need to have negotiation skills.

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However, these competencies can also help the HRD professionals in taking his or her rightful place at the executive organization's strategic planning. The HRD professionals need to know how to negotiate for his or her owns special interest, for the long-term human needs of the organization, and for overall business objectives.

David A. Whetten and Kim S. Cameron (2007), on their book titling "Developing Management Skills" mentioned that Conflict manager must be proficient in the use of three essential skills. First, they must be able to accurately diagnose the types of conflict, including their causes. For example, managers need to understand how cultural differences and other forms of demographic diversity can spark conflicts in organizations. Second, having identified the sources of conflict and taken into account the context and personal preferences for dealing with conflict, managers must be able to select an appropriate conflict management strategy. Third, skillful managers must be able to settle interpersonal disputes effectively so that underlying problems are resolved and the relationship between disputants is not damaged.

Simões, (2015) narrated that, Strikes, grievances and disputes including those which are accompanied by court proceedings, are explicit manifestations of conflict. Less visible, altercations between colleagues, which result in difficulties in working together and mutual hostility, or even oppositional behavior to a directive from management, are examples that show other facets of the conflict in organizations. Although the conflict has always been associated with interactions within any human organizations, recent decades have brought changes that greatly increased the potential for organizational conflict.

I. Zohar (2015) stated, in time of crisis leaders of organizations, states and governments should relate to the skills of negotiating as a "strategic calculus" especially by open communication and a formal process to searching the best solution to mitigate the effects of the crisis and to get an effective solution.

Gelfand et al., (2013) said that, in the age of globalization, businesspeople across the world negotiate with counterparts of different cultural backgrounds more often than ever before. Due to this change in today's global economic environment, both top executives and researchers need to understand how culture influences negotiations.

Brett, (2004) revealed that today, many organizations see negotiation practice as a competitive necessity when negotiating with partners from other regions. For this reason, cross-cultural negotiators generally leave more value on the table when trying to capture their counterparts' interests and trade them off against their own interests.

Brett (2001) claims that Israelis are mostly individualistic in nature which means that negotiators are concerned with themselves and generally are not concerned with the welfare of the other party as long as they are not affected. The results of the Brett study indicate that when comparing to the USA and to Germany, Israelis are the most competitive. Galin

Cohen, (2002) narrated that, "if everyone - an individual or a company - had everything they wanted, there would be no particular reason to negotiate, bargain, or collaborate in decision-making. But in the real world, we do not have everything; the resources we control or influence do not serve all of our interests. Unless we can find and reach agreements with parties who can respond to our interests, our needs will not be satisfied. Moreover, we are far more likely to find agreeable counterparties for joint decision-making if we can offer something that is important to them. Some parties'

negotiating styles put them in a bind, literally; the unilateral decision-making and the resulting demands particular to such styles give these parties little leeway for achieving favorable results.

Connelly, (2009) stated that, a human resources professional working in the public sector in a union environment must acquire excellent skills in the art of negotiation. A simple, broad definition of "negotiation" is: a give-and-take discussion or conference in an attempt to reach an agreement or settle a dispute. In public sector human resources, the term negotiation is most commonly used in the context of union contract negotiation and labor relations. Negotiating the terms of an agreement is a key business skill, and it is a process that takes practice.

Objective of the Study

The purpose of the study is to investigate the significance of "Negotiation Skills" of Bangladeshi HR manager in private business organization. The specific objectives of the study are:

1. To assess the causes of conflicts in Bangladeshi business organization.
2. To assess the effects of conflict in organizational performance.
3. To assess the importance of Negotiation technique study requirement for HR professionals.
4. To assess of benefit of acquiring negotiation skills for HR Managers.
5. To suggest a negotiation skill prescription for Bangladeshi HR professionals.

Methodology

This is a semi-participatory descriptive research paper based on the literature review and in-depth, semi structured interviews of 16 HR professionals. Interview and general discussion with HR professionals were done by inviting them at a common place. A brief presentation on "Getting to Yes: Negotiating Agreement without Giving In" by Roger Fisher and William, (2nd Edition, 1991) was made in front of HR professionals and senior management officials followed by general discussion session on the subject matter provided actual view of the respondents. A simple questionnaires was distributed among the HR professionals and Senior Managers where all participated gladly. Material and information found on few renowned books / journals / publications are also studied.

Causes of Conflicts

Conflicts which promote the growth and create competition among employees are positive conflicts and when the organization fails to deal with the conflicts than those conflicts become a constraint for an organization that is considered as negative (Ajike & Akinlabi, 2015). Now days, several types of conflicts occur within an organization, the reason and causes of these conflicts vary according to the situation within an organization. Some of the conflicts are role conflicts, interpersonal conflicts, task conflicts and resource conflicts. (Hotepo et al., 2010). Even when goals are poorly set, reward systems are poorly designed and there is a tendency of overlook the employee grievances; individuals and groups may come into conflict. Structural differentiation also breeds conflict. When differences occur in goals and job tasks between employees it creates conflicts in between them because differences of in goals creates difference of ideas and opinions which lead them towards conflicts, (Khan, Hussainy and Iqbal, 2016) A total of 476 conflicting situation occurred at 16 different types of private business organization in Bangladesh from year 2005 to year 2016.

Table 1. Participant's report of number of conflicting cases dealt by them.

Business Organization	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Squre Industries	2	4		5	3	1	5	1	2	1	3	2	29
Pran RFL	1	3	1	4	6	2	1	6	1	2	2	1	30
Desh Bangla Gruoup	2	3	2	4	1	5	3	1	3	1	5	4	34
MB Pherma	1	7	2	3	1	3	2	1	5	2	3	2	32
Royters Germents	4	2	1	5	3	4	2	1	5	2	2	3	34
Bishash Builders	2	3	4	2	1	4	2	5	1	2	3	1	30
Abdul Monem Ltd	3	1	2	4	2	3	1	4	2	1	4	1	28
Mir Aktar Ltd	2	1	2	3	4	1	2	3	2	1	5	2	28
Rayan Motors	1	3	2	4	1	2	3	1	4	3	1	1	26
Fuji Flour Mills	2	1	4	3	2	1	5	2	3	4	2	1	30
Hanif Spinning Miil	3	1	1	2	3	2	4	2	1	3	1	1	24
Keya Cosmatics	2	1	4	3	2	1	4	3	2	1	3	1	27
One Bank Ltd	3	1	2	5	2	3	4	1	2	4	3	3	33
Trust Bank Ltd	4	2	1	4	3	2	3	4	2	1	3	2	31
Hameem Group	2	3	4	1	5	2	3	2	4	1	3	4	34
ABC Ceramics Ltd	3	2	4	1	2	2	1	4	3	2	1	1	26
Total	37	38	36	53	41	38	45	41	42	31	44	30	476

In an average 43 cases in last 11 years most of those are for salary and compensation, political racing, poor reward system and for structural differences. 11 out of 16 HR managers opined that salary and compensation are two major ingredients that often fuel labour unrest and create a conflicting situation that they need to

handle prudently. While rest of the HR manager expressed that, bureaucracy problem in the management system causes conflict in the organization. 15 out of 16 HR Manager opined that, in Bangladesh; business are being run on a day to day trial basis. Political unrest, labour unrest, socio – economic infrastructure inadequacy and minimum wages to the labor arise conflict in interested group and thus it seriously hinders the business climate.

Effects of Conflict

Conflicts do have negative impacts on individuals or groups but it also has some positive impacts as well and it depends upon the characteristic of the conflicts. Sometimes organization utilizes conflicts to achieve highest level of performance and efficient decision making. Positive conflicts result in effective decision making particularly in task-oriented conflicts and enhance the group performance because of useful criticism. And the employees which are engage in promoting the positive conflicts help to increase the interchange of ideas among individuals and groups, which helps in improving the overall performance of individuals as well as groups (Kehinder, 2011). 13 HR manager expressed that, very often either by government or by the business organization itself declare shut down when conflict goes beyond control or negotiation fails. In particular where negotiation fails with the conflicting parties; it threats the existence of the business itself. Lack of concentration and coordination among employees which become a reason which can affect work performance of employees and as a result of which overall organizational productivity suffers (Khan, Hussainy and Iqbal, 2016).

Table 2. Disposal of 476 conflict cases.

Number of Conflict Negotiated	Successful Cases	Unsuccessful Cases
132	101	31
247	239	8
97	95	2
476	435	41

Out of 476 conflicting situation 41 remain unsuccessful, and out of 41 unsuccessful cases, 29 business organization

suspended their operations, 7 permanently shut down and rest 5 business organization had to suffer a lot.

Importance of Negotiation Technique Study

The HR professionals of Bangladesh need to study the negotiation technique to perform their duties effectively. As they need to often seat with the conflicting parties or need to gain anything of their interest from the other counterpart; they need to learn the negotiation techniques. According to research findings conflicts are part of human nature when some people from different frame of references are gathered together conflicts occurs, because their ideas, values, nature, race etc. are different from each other, means within an organization workforce comes from diverse backgrounds therefore conflicts are considered as the important factor within the organizations. Management plays a very important role in dealing with conflicts as the chances of conflicts are very high in organizations with diverse workforce because management within organizations acts as a building block which is responsible for keeping the balance within the organizations (Kindlei, 2011). HR manager must know three things to be an effective negotiator. Those are, know yourself, know your organization and know opposite parties. Successful negotiators must have a positive attitude. They are able to view conflict as normal and constructive.

Benefit of Acquiring Negotiation Skills for HR Managers

HR professionals need to deal with conflicting situation to gain some positional advantages. Knowledge to negotiate effectively with both the conflicting party in win-win situation needs academic learning. Knowledge development, organization and efficiency can be achieved through proper diagnosis and appropriate intervention of the conflict. Although some believe that conflicts are sometimes beneficial to the organization, most of the recommendations related to organizational conflicts are part of the spectrum reducing or resolving the (Madalina, 2016). (Brett, 2004) describes that attitudes are always important and especially in negotiations. Attitudes influence negotiator's objectives and objectives control the way they negotiate.

Table 3. Academic background on negotiation skill.

Service Length	Academic Learning	No Academic Learning
10 years	1	2
10-15 Years	3	4
Above 15 Years	2	4
Total	6	10

The way people negotiate determines the outcome. Successful negotiation always benefits business organization in terms of saving money, property and image. 14 respondents believed that HR manger must know to negotiate by personal example. He must constantly update his personal data base with the characteristics of probable conflicting parities.14 respondent opined that formal teaching is a must for acquiring negotiation skills while other 2 said experience is good enough to deal with the conflict.

The Negotiation Prescription for Bangladeshi HR professionals

A book review was presented in front of twelve HR professionals from different background and different types of business organization. "Getting to Yes: Negotiating Agreement without giving in" by Fisher and Ury (1991) was analyzed, discussed and effort was taken to find feasibility of the application of the method in Bangladesh business culture perspective. Maximum HR professionals opined in favor of the method discussed by the writers. The method described by the writers and discussion of the forum are briefly stated below:

Separation of People from the Problem

In negotiation technique, people come first. Before going in to the details of the conflict; first give importance to the people, causes are people get angry, depressed, frustrated, fearful, hostile, frustrated and offended. Failing to deal with human sensitively may prone to human reactions which can be disastrous for negotiation. Whatever else someone do during negotiation process must and all the time ask question, "Am I paying enough attention to the people?" Always it is better to separate the problem from people. Better not to blame other side. Assessing blame firmly entangles the people with the problem. In Bangladesh maximum problems and or conflicts are people centric. If somehow people can be segregated from the problem than 50% negotiation is believed to be done. Separation can be done by recognizing and understanding the emotion. Making emotions explicit and acknowledged them as legitimate is beneficial. HR manager must not react on emotional outburst. Also listen actively what has been said and acknowledge it. Trying to understand is better than be understood. Successful separation of people from the problem will help to deal with the problem only.

Focusing on the Interest, Not Position

This story is typically present almost all the negotiation process. People want to be assured of their position first. It is being greatly observed that the basic problem in a negotiation lies not in conflicting position, but in the conflict between each side's needs, desires, and fears. Such desires and concerns are interest. Figuring out other side's interest is very important and due focus must be given to solve the issue/s. Positional advantages sometimes need to be overlooked. Instead the more focus is given on the interest will ease the negotiation process. It is always better to acknowledge their interest as part of the problem. HR manager should be hard on the problem but soft on the people.

Invention of Option/s for Mutual Gain

Mutual gain is of very important in context of Bangladesh. Often it is found that one side to superimpose their will and desire on to the other side. These tendencies fuel the conflict to burn more. HR manager needs to diagnosis all possible option/s. In most negotiation process it is found that premature judgment, searching for single handled interest and keeping problem alive are constrains to find option/s.

HR managers should try to find out ways and means to create a win-win situation that will ensure mutual gain. Shared interest produces better negotiation.

Using Objective criteria fits better

The approach is to commit to reaching a solution based on principle, not pressure. HR Manager should concentrate on the merits of the problem not the mettle of the parties. They should be open to reason, but closed to the threats. Approaching agreement through discussion of objective criteria also reduces the number of commitments that each side must make and then unmake as they move toward agreement. Objective criteria may be developed on the basis of legitimacy and practicality. Having developed the objective criteria, the next step would be to negotiate with the objective/s. However points to be remember are, framing each issue as a joint search for objective criteria, reasons should be identified and be open to those reason together, and never yield to the pressure, only to principle.

Conclusion

The nature and types of conflicts differs from country to country. Bangladesh is having a history of established business organization is not much of older. It has a special kind of organizational culture i.e. traditional family run firms. Most of the reputed and established business organizations are basically family run business where management and decision makers are from the same family of any organization. Thus aristocracy, self-extremism, rigidness, one sided decisions often causes conflicting situation. The study could identify few serious effects of conflicts in the private business organization. Some effects denote closing of active operation of reputed and established business firms. Because of the failure of negotiation process, many private businesses had to pay a lot in terms loss and ineffectiveness. Therefore it is honestly felt that HR managers need to know the tit bits of negotiation process. The more early they can acquire knowledge on the subject matter the more is easily they can negotiate effectively. HR manager cannot escape from need of dealing with conflicting situation be it a large or small firm. Negotiation technique learning will benefit the HR professionals not only to deal with their business's conflicts but also it is a good platform to enhance future career. If successful negotiation can be carried out with conflicting parties than not only the negotiator gets the credit but also it saves money, property and image of the business organization. A negotiation technique model is prescribed after discussing in details with veteran HR professionals. All have agreed the model and promised to have more knowledge on this and exercise in real field of negotiation process. The researchers agreed that this is not a typical research that is usually being carried out in "Human Resource Management and Industrial Relation". However they hope that taking this platform, in future lot of expert researcher will come forward and take initiative to study the negotiation process concerning to Bangladesh.

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