

## THE STUDY OF RELATIONSHIP OF NEGOTIATION SKILLS OF BUSINESS MANAGERS WITH SALES LEVEL OF FOOD INDUSTRY COMPANIES OF SHOOSHTAR CITY

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**Abstract:** Negotiation is recognized as an effective method in all affairs of human life mainly in business affairs. The present research studies the functional relationship of the negotiation skills of commercial managers with the sale of food science companies in the Shushtar city (year 2014). The statistical population of the study includes all the commercial managers of the companies in the field of food science (12 companies) in Shushtar city with census method. Two standard questionnaires of Pierre and Robert Heller have been used for data collection. Moreover, the data related to the sale of the companies has been gathered from the Tax Administration of the Shushtar city. The Cronbach's alpha coefficient has been calculated as 90% for the first questionnaire and 81% for second questionnaire. The SPSS software (V20) has been used for analyzing the data and descriptive and inferential statistics. The result indicated that there is no significant relationship and in general the managers use the negotiation skills properly. Specifically, they use the factual, normative and analytical styles too much and use intuitive style properly.

**Keywords:** Negotiation Skill, Commercial Managers, Sale Amount of the Company

### INTRODUCTION

In the very busy and active contemporary world, in an environment in which the organizations live, acquiring the required knowledge, information and technology is essential not only for all the organization but also the managers. The managers should equip themselves with technical and conceptual weapons besides the human skills. These human skills are related to the ability to communicate and comprehension motivational needs and employing the proper leadership method to reach to organizational goals in a way that the manager could influence the other party. One of the main factors in the success of every company is related to the ability of the manager of that company to negotiate and his/her negotiation techniques that is one of the effective techniques in leadership from Mintzberg view. The manager could be able to perform an outstanding task to peruse or dissuade an individual to purchase. It's likely that the managers lose so many

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transactions due to inability to negotiate. The negotiation skill of the manager could have a great influence in the negotiation processes and contracts for the organizations.

## **THEORETICAL BACKGROUND**

Competence (skill): The ability to accomplish a science. Negotiation: The art of reaching a mutual agreement through bargaining, discussion and reasoning on some fundamental issues. In fact, it is a process or program that gets results from a sale or a purchase activity, also means conversation, discussion and bargaining to reach an agreement in commercial transactions (Anvary Rostami, 2003).

Negotiation styles: 1- Analytical 2- Factual 3- Intuitive 4- Normative

### **Main Hypothesis**

There is a significant relationship between the negotiation skills of the commercial managers with the sale amount of the company.

#### *The first subsidiary hypothesis*

There is a significant relationship between the analytical negotiation skill of the commercial managers with the sale amount of the company.

The individuals that follow the analytical negotiation style, plan the results and apply them in the negotiation, they benefit from reasoning, guiding, analyzing and administrating in order to support or oppose with his/her position or others and analyze any situation for finding the cause and effect relationships (Torabipour, 2010). Osman Gani (2003) in an intercultural study about the culture effect on the styles of Asian managers in Singapore indicated that the cultural environment and the race have a great effect on the negotiation style of Asian managers in the cultural groups and the managers from the three races (Chinese, Indian, Malaysians) utilized too much from the analytical negotiation style.

#### *The second subsidiary hypothesis*

There is a significant relationship between the factual negotiation skill of the commercial managers with the sale amount of the company.

The individuals that follow the factual negotiation style, indicate the facts dispassionately, they have calm and self possessed reaction and explore to find documents and reasons based on reasoning (Torabipour, 2010). Heidari has conducted a study regarding the applying level of negotiation styles in the conflict management strategies. The results have shown that there is a significant difference between the usage rates of school managers from negotiation styles. The most

practice of negotiation styles by managers is related to factual style (80) that is considered too much according to the usage profile and the minimum practice is related to analytical style.

***The third subsidiary hypothesis***

There is a significant relationship between the intuitive negotiation skill of the commercial managers with the sale amount of the company.

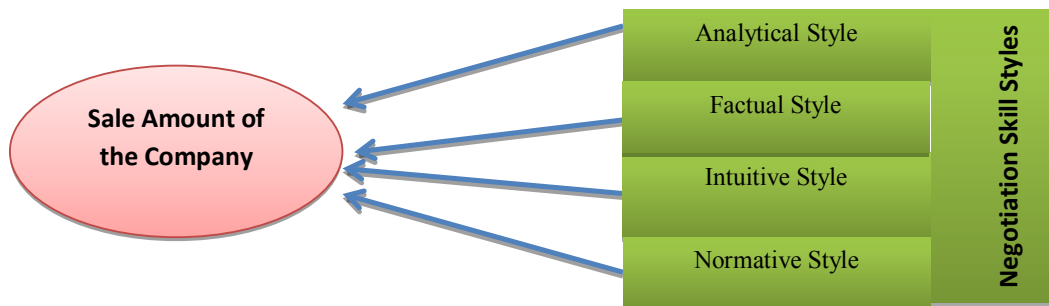
The individuals that follow the intuitive style focus on the whole issue or position, they use force in a specific time and retreat later, and they plan the issues pairwise (Torabipour, 2010). Zarezade (2009) studied the relationship of the negotiation skill of the managers with the level of conflict in the personnel of Karaj Technical & Vocational Training Organization. The results have shown that the managers of these centers use greatly from factual, analytical and normative negotiation styles and used properly from intuitive style.

***The forth subsidiary hypothesis***

There is a significant relationship between the normative negotiation skill of the commercial managers with the sale amount of the company.

The individuals that follow the normative negotiation style enjoy from recognizing, estimating, ignoring, confirming, agreement and disagreements the facts according to the set of individual values. They use confirmed facts, suggest bargaining, suggest reward and motivations, utilize from the emotions and feelings for agreement (Torabipour, 2010). Mahdian (2011) studied the relationship of negotiation skills of managers with the conflict level in secondary school teachers of Mashhad city. The results have shown that the managers use the intuitive and analytical styles properly, but they use the factual and normative styles too much.

**The Conceptual Model of the Study**



## **METHODOLOGY**

According to the required type of information in the present study, two standard questionnaires of Pierre and Robert Heller and panel data documents have been used, these documents include the related amounts of sale in the companies gathered from the Tax Administration of Shushtar city. The Pierre standard questionnaire including 80 questions has been used for the recognition of the negotiation skill and the applied styles by the managers. Every question could receive a point in the range of 1-5 and each style has 20 questions. After obtaining the points for each style, the numbers in the range of 20-45 show that the managers used that style less, the numbers in the range of 45-70 show the proper use of that style by the managers and the numbers in the range of 70-100 indicated the high use of that style by the managers. The minimum point in each style is 20 and the maximum point is 100. The Robert Heller questionnaire (including 29 questions) has been used in order to measure the negotiation skill level of the commercial managers. These questions specify the negotiation skill level of the managers and this variable could be used for studying the research hypothesis. Every question could receive a point in the range of 1-4. Therefore, the minimum point that could be acquired by every individual is 29 and the maximum point is 116 considering the Likert scale. According to the time and place domains of the study, the statistical population of the present research includes all the companies (12 companies) in the field of food science located in Shushtar city (the environs of Khorasan province) in the year 2014. Regarding the small size of the statistical population and the point that studying all the companies was an economical activity; so the researcher decided to use all the comments of the individuals in the analysis in order to increase the accuracy of the research and consider that this group is a sample of the reviewed population during the time. So the research sample includes all the sale managers of the companies in the field of food science located in Shushtar. The related data has been gathered and coded and entered into the SPSS software (V22.0) for descriptive and inferential analysis of the data and observations. Various techniques including Kalmogorov–Smiranov Test and Pearson Correlation Coefficient have been used in the statistical inference part.

## **RESULTS**

The non-parametric estimation of the data has been confirmed by the Kalmogorov–Smiranov Test. The logarithmic methods have been used for making the data parametric and the questionnaire number 2 (including 29 questions) has been used for more reliability. There is no significant relationship between the negotiation skills of the sale managers with the sale amount of the companies in the field of food science in the Shushtar city.

## **DISCUSSION AND RESULTS**

It is worth to mention that the managers of the studied companies don't use a dominant negotiation skill method, rather they use various methods simultaneously. This fact matches with the results of the study conducted by Mahdian (2011) regarding not using of most of the managers from the dominant style. The present study shows that the managers use greatly from factual style, this fact matches with the results of Heidari (2003) and Zarezade (2009) but does not match with the results of Gani indicating that all three groups of the managers (Malaysians, Indians, Chinese) utilize properly from this negotiation style. The studies of the research have shown that the managers use properly from the intuitive style of the negotiation that matches with the findings of Mahdian (2011), Zarezade (2009) and Gani (2003) indicating the proper use of all three groups of managers (Malaysians, Indians, Chinese) from this style but does not match with the studies of Heidari (2003). The present study also states that the managers use greatly from the normative style in the negotiations that is matched with the findings of Heidari (2003), Mahdian (2011) and Zarezade (2009) but does not match with the findings of Gani (2003). According to the results of the present study, the managers use the analytical style greatly in the negotiations; therefore, the findings are matched with the findings of Heidari (2003) and Gani (2003) but does not match with the results of Mahdian (2011).

## **SUGGESTIONS AND LIMITATIONS**

The companies could find about the negotiation skills of their managers in order to employment and selection of the commercial managers using a test and completion of a questionnaire and employ the individuals with high negotiation skills and increase the sale rate in the company. Our suggestion for further researches is that the following subjects have not been defined clearly due to time limit: integrative negotiation, distributive negotiation, report-based initiating structure, interorganizational negotiation. Therefore, future studies could focus on these negotiation styles, so that the commercial managers could utilize them easily in their negotiation process. Preoccupied managers and inaccessibility to them could be addressed as some limitations of the present study, some of them also avoided to answer the questionnaire and convincing them to complete the questionnaire required extra time and explanations.

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