
Overview

This standard is about the skills and knowledge needed for you to negotiate with partners in a food and drink business.

Negotiating is a key skill in the current highly competitive food and drink industry. Tight profit margins and the influence of multiple retailers requires a strong negotiating style that ensures the best outcomes for your food and drink business. Negotiating is also an important every day skill for managers in a food and drink business who must deal with the demands of production, quality, compliance and resource availability. The creation of strategic business partnerships also requires negotiation to define the terms of reference for the partnership.

You will need the skills and knowledge to prepare to negotiate including gathering relevant information on yours and the partner's business, liaise with colleagues to determine the desired outcomes of the negotiations and the level of acceptable flexibility in the desired outcomes. You will also need the skills and knowledge to decide on the style of negotiation, the strategy and tactics you will use.

This standard is for you if you work in food and drink manufacture and/or supply operations and are involved in negotiating with partners in a food and drink business.

Performance criteria

You must be able to:

Prepare to negotiate

1. source information about your food and drink business relevant to the negotiation activities
2. research business information and intelligence about the partner organisation you will be negotiating with
3. research the culture of your food and drink business and the partner organisation you will be negotiating with and use this to your advantage while negotiating
4. build relationships during negotiations in accordance with your food and drink business standards
5. design the meeting practicalities, flow of information and meeting agenda to your best advantage
6. confirm with colleagues the negotiation outcomes that are acceptable to your food and drink business
7. decide on the style of negotiation you will use, the strategy and tactics to be taken when negotiations have begun

Negotiate to the best advantage of your food and drink business

8. ascertain the partners minimum expectations and requirements through questioning
9. determine the degree of flexibility the partner organisation will agree to
10. use creative techniques to address issues of disagreement
11. determine and communicate the options available to both partners
12. agree final outcome/s of the negotiation
13. adhere to organisational requirements for the confirmation of these outcomes

Knowledge and understanding

You need to know and understand:

1. the organisational policies and requirements to be adhered to when negotiating with external organisations
2. how to source information about your food and drink business and why it is important to do this when negotiating with a partner organisation
3. why it is important to research information and intelligence about the partner organisation, the type of information thought to be useful and how to source this information
4. the importance of determining and confirming with colleagues the minimum requirements of the partnership and the maximum flexibility in the final agreed outcomes
5. what the limits of your authority are when negotiating with partners and the action to take if the negotiations require more than this authority
6. why it is important to prepare strategy, tactics and a style of negotiation and how to do this
7. how to organise the practicalities of negotiating between organisations including flow of information, venue, time and meeting agenda and why it is important to manage this
8. the techniques of determining solutions to disagreements between partner organisations
9. the organisational requirements for confirming outcome/s of negotiations

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