

The Negotiation Role in the Corporate Sustainability. Case Study

Mariana Eftimie^{*}, Ramona Georgiana Moldovan (Bratosin)^{**}, Mirela
Clementina Matei^{*}

^{*} Petroleum-Gas University of Ploiești, Bd. București 39, Ploiești, Romania
e-mail: meftimie@upg-ploiesti.ro

^{**} Academy of Economic Studies, Faculty of International Business, 41 Dacia Blvd., Sector 1, Bucharest, Romania
e-mail: ramonageorgianamoldovan@yahoo.it

Abstract

The article presents the results of a research conducted in a multinational IT company on the negotiation role in the organizational sustainability and change. Articolul arată ca negocierea nu este esențială doar în relațiile de afaceri ale firmei cu partenerii săi, ci și în relațiile din interiorul firmei, dintre angajați sau dintre angajați și superiori și ajută la crearea unui mediu de lucru stabil, care favorizează productivitatea muncii și durabilitatea corporației în timp. The article shows that the negotiation is essential not only in the organization's relationships with its partners, but also in the relations between employees or between employees and their managers and helps to the creation of a stable work environment that encourages productivity and corporate sustainability. În articol se arată, de asemenea, din ce motive este utilă crearea unui (sub)departament care să se ocupe de negocierea și medierea conflictelor în cadrul organizației, dar și între organizație și mediul extern. The essay shows also, what are the reasons why is desirable the creation of a department, which handles with the negotiation and the mediation of conflicts within the organization, but also between the organization and the external environment.

Key words: *negotiation, mediation, sustainability, change, conflict resolution*

JEL Classification: *D6, D74, J52, M12, M14*

Introduction

Since 1972, the year of the publishing of the first Club of Rome report - "Limits to Growth" - and when the first UN conference on environmental issues took place in Stockholm, there were identified over 60 interpretations of the concept of development, in the new vision of the interdependence of environmental issues, of the general welfare and growth process.¹ *The Dictionary of Romanian Language* explains the term as "quality of an anthropic activity to take place without exhausting the available resources and without destroying the environment, so without compromising the ability to meet the needs of future generations. When it refers to the

¹ Popescu, C., Ciucur, D., Popescu, I., *Tranziția la economia umană*, Economic Publishing House, București, 1996, p.15

overall economic development of countries or regions, the synonymous term *sustainable development* is usually preferred”.² As a result, in economic terms, the sustainability is understood as the way a company operates in protecting at the same time the available resources that the company and the society have so that they can meet the needs of future generations. The sustainability is often associated with the sustainable development. In fact the sustainable development is based on three pillars: environmental sustainability, socio-cultural sustainability and economic sustainability. The economic sustainability is equivalent with paying fair salaries, fewer unemployed people as a result of the increasing hiring process, wages that support a decent living standard and lead even to a higher standard of living, reasonable profits for organizations etc. The environmental sustainability refers to how the organization protects the environment. The environmental sustainability is not only a major concern for companies from the polluting industries such as mining companies, cement industry companies, chemical companies, fishing companies etc., but also for organizations from industries considered to be less polluting. The last ones are interested in reducing the energy consumption and in reducing waste, such as, renouncing to the use of plastic glasses in the company, and clever recycling or the reuse of the expired products for the creation of new ones. The car manufacturer Volvo has a center where disassembles trucks and reuses more than 90% of the components for manufacturing new trucks. Most companies show an interest in social and cultural sustainability. They encourage cultural diversity and communication, seeking to avoid any type of discrimination: racial, sexual, ethnic etc. In short we can understand sustainability as awareness of the importance the human being and nature have, as awareness of the corporate responsibility towards them and as the intelligent management of resources in order to maintain the welfare of mankind in the future.

In correlation with the sustainable development principles, a special importance is given to the corporate social responsibility, and at international level, specific management systems models, implemented by more and more organizations, are defined.³

In the second half of the '90s, the multinational companies have entered on the Romanian market social programs, the corporate social responsibility has become a fashionable concept adopted by our companies, which begins to take shape in specific market practices in a set of values and criteria that can help us to distinguish the performance and professionalism of the lack of transparency and honesty. The social responsibility is considered a risk prevention strategy and a strategy for the creation of competitive and, even durable, advantages.⁴

Multinational companies such as Oracle, Vodafone, Orange, HP, Petrom, Rompetrol and others have structured sustainability and organizational responsibility programs.

Oracle, for example, has reduced the energy consumption at its headquarters in California by 31% in the last 10 years, has reduced the number of business trips using the web conference, its employees were involved as volunteers in more than 120 environmental projects. The company invests over 2 billion dollars annually in education programs. Oracle employees enjoy

² DEX online, *Dicționarul Explicativ al Limbii Române*, 2004-2012, disponibil la <http://dexonline.ro/definitie/sustenabilitate> [accessed on 26 January 2012]

³ Olaru, M. et al, *Activitatea comercială responsabilă a IMM-urilor și valorile specifice dezvoltării durabile din perspectiva modelului european de excelență*, publicat în *Amfiteatru Economic*, nr. 27/2010, ASE Publishing House, București, 2010, p. 12

⁴ Oprea, S., Bacali, L., *RSC - O tendință la modă sau un comportament responsabil al firmelor din România?*, Articol publicat în Seria de volume *Întreprinderea sustenabilă*, volumul *Întreprinderea sustenabilă 2010*, Centrul de eco-management, pp. 203-210, disponibil la <https://sites.google.com/site/organizatiasustenabila/home/intreprinderea-sustenabila-2010> [accessed on 18 January 2012]

competitive salaries and benefits, career opportunities, a working environment that encourages diversity and welfare and the possibility of having a flexible working hours.⁵

Vodafone has created *Vodafone Romania Foundation*, which has the mission to help people in Romania to have a better life, sustaining local communities through charity actions. It is an organization that provides help to the sick, to those with special needs and to the disadvantaged people, especially children and elders and fights against familial abandonment. The foundation operates programs in health, education and sport.⁶

Hewlett Packard is expressing an increasing interest in the sustainability field. It focuses on recycling and reusing materials, reducing water and electricity consumption, by creating low power consumption products. The company's priorities are health, education, entrepreneurship and volunteerism. The employees have provided more than 102,000 hours on volunteer programs. HP focuses at the same time on youth employment, students or recent graduates. The company strictly respects the moral conduct, it takes into serious the ethical responsibility and fights against corruption, because it wants to maintain an organizational culture based on trust and respect, guided by common values. In 2010, HP has been designated by the Ethisphere Institute for the second consecutive year as one of the most ethical companies of thousands of companies in over 100 countries and 35 industries. In early 2011 the company created ESM (HP Energy and Sustainability Management), a complete portfolio of services to the company to increase its business value through energy efficiency and effective resources management.⁷

In the last 15 years *Orange* has made efforts to include the sustainable development principles and the corporate social responsibility (CSR) in its organizational strategy. The company supports its employees in their development and gives them equal opportunities. It ensures the service transparency and quality, the security and the safety for their customers. By providing its services, the company wants to promote economic and social development in the countries where it operates in. Through the commercialization of its products and services, the company wants to reduce the environmental impact. It plays an important role in collecting and recycling of the mobile headsets.⁸ The *Orange Foundation* is managing the philanthropic and social projects since 1987 and it supports the company's mission to provide everyone means of communication. That is why the Foundation has focused on people with autism, on those with sight and hearing problems, on the vocal music promotion and it fights also against illiteracy.⁹

Other companies like *Procter and Gamble* (Pampers products) and cosmetics and chemical industry companies (which sells cleaning products, detergents etc.) were involved in campaigns to help people in need. Pampers, for example, led a campaign against infant mortality caused by tetanus in disadvantaged countries under the auspices of UNICEF. For each package of diapers sold, the Pampers company donates a vaccine for one of the children in these countries.¹⁰ The same corporation Procter and Gamble has launched another campaign in 2010 called "chance

⁵ Oracle, *Oracle corporate citizenship*, 2012, disponibil la <http://www.oracle.com/us/corporate/citizenship/index.html?ssSourceSiteId=ocomro> [accessed on 23 January 2012]

⁶ Vodafone, *Fundația Vodafone România*, 2012, disponibil la <https://www.vodafone.ro/fundatia-vodafone/fundatia-vodafone/despre-noi/index.htm?ssSourceSiteId=vodafoneinternet> [accessed on 23 January 2012]

⁷ Hewlett Packard, *Raportul privind cetățenia globală 2009*, 2012, disponibil la <http://www.hp.com/hpinfo/globalcitizenship/> [accessed on 25 January 2012]

⁸ Orange, *Responsability, 2012* disponibil la http://www.orange.com/en_EN/responsibility/ [accessed on 25 January 2012]

⁹ Orange, *Philantropy and solidarity*, 2012, disponibil la http://www.orange.com/en_EN/corporate_philantropy/ [accessed on 25 January 2012]

¹⁰ Unicef România, *1 pachet = 1 vaccin*, 2012, available at <http://www.unicef.ro/campanii/1-pachet-1-vaccin.html> [accessed on 27 January 2012]

for life, chance for new memories” to help prematurely born children from maternity hospitals in Romania.¹¹

But the sustainability is not just about social responsibility or environmental responsibility and not just about launching campaigns to help the disadvantaged people or to protect the environment. It refers to the measures and decisions taken by an organization, the directions a company follows up to support long-term development of the whole society on the one hand, and the development of its employees to increase the efficiency and productivity on the long term, on the other hand. In summary it refers to internal and external environment long term “health” and to the ability to meet the challenges, having as a main purpose the profit increase. Given this, we conclude that the corporate sustainability is benefic for all, for the corporation itself, ensuring its profit and for buyers and other stakeholders.

The Communication and Negotiation Role in the Sustainability of Organizations

The corporations are constantly in confrontation with the change and they try to adapt to the novelty. The change is not only a consequence of the processes` modification within the organization or of the business`s modification, but also a consequence of the modifications in the perception, behavior, interests, values system of individuals. The organizations are made up of individuals, and the communication is an essential condition for their existence. The communication process can help to developing or destabilizing the organization. The organizational sustainability depends largely on the quality of and on the way in which the communication process develops. The organizations that have withstood time and have enjoyed a healthy development, which are sustainable, have focused on the human factor, on the individual. They have attempted to identify the individual`s needs and interests and to satisfy them. The sustainable organizations have ceased to perceive the individual as a simple means of obtaining profits. They realized that the more satisfied the individuals are, the higher the profit. Most companies have involved employees in decision making process and encouraged them to express their opinions freely without any fear of repercussions. They held team meetings and created focus groups and provided the employees with suggestion boxes to collect new information and to receive suggestions on problems, they organized *one-to-one* meetings to find ways to solve the employees` problems, they have found out their perceptions by distributing questionnaires. The organizations began to perceive the change not as a threat and not as a destabilizing factor, but as a given, as a development opportunity using the full potential of human capital. One of the main purposes of the organizations was to promote an organizational culture to support effectively the change. It is necessary for individuals to communicate continuously with each other as a condition for the change to have positive effects at the organizational level. The communication can prevent or resolve potential conflicts resulting from the confrontation with the novelty.

The negotiation as a form of communication is essential in avoiding conflict situations and in maintaining the corporate sustainability. A *sine qua non* condition for the sustainability of the organization and for its “healthy” development is maintaining the balance and the calm in the corporation. The negotiation is first of all a form of communication: a mean to communicate in the hope to make an agreement.¹²

Many definitions of negotiation have been suggested. Arthur Lall, for example, defines the diplomatic negotiations as “the approach of international disputes or situations by peaceful

¹¹ *** Campania șansă la viață, șansă la noi amintiri, *Cauza*, 2010, disponibil la <http://www.sansalaviata.ro/> [Accesat 27 ianuarie 2012]

¹² Pasco, C., Prevet, O., *Mercatique et negotiation internationales*, Dunod, Paris, 1994, p. 466

means, other than legal or arbitration, with the purpose to promote or achieve a certain agreement, improvement, adjustment or regulation of the dispute or situation between stakeholders”.¹³ Fred Charles Iklé defines negotiation as “the process in which explicit proposals are presented with the clearly purpose to reach an agreement on an exchange or on achieving a common interest in the presence of conflicting interests”.¹⁴

Ioan Popa¹⁵ concludes that there are some definitive elements of negotiation:

- it is a decision process by which the parties attempt to reach a common solution;
- it is a form of communication, which seeks to establish an agreement when there is a conflict or when the parties start from different positions;
- it is a process by which the partners aim to achieve an acceptable result for each one;
- it is a complex process, focused on communication between two (or more) partners, but involves a larger system of relationships.

We can see from the above definitions that the negotiation is first of all a communication process that aims to resolve conflict situations. In this respect, we would suggest their own definition as follows: “The negotiation is a communication process that aims the peaceful resolution of tensions, grievances, differences of opinion or harmonization of different interests.”

The negotiation aims to bring balance, stability, sustainability for the organization and it can be used as a tool by which the organization can cope with change. The negotiation can be used in solving all kinds of conflicts that threat one of the three pillars of sustainability: environmental sustainability, economic sustainability and socio-cultural sustainability. Therefore it is necessary to show how organizational sustainability can be achieved through negotiation depending on the situation.

At the interview, the future employee has the opportunity to negotiate, even in small measure, the salary based on several factors such as his experience, knowledge, seniority etc. It is true that the working hours can be negotiated to a lesser extent, because they depend on legislation, organization profile, time zone of the other countries which other subsidiaries, customers or partners are situated in. The possibility of the wage negotiation gives the employee confidence in his capability, gives him satisfaction of having decision power and gives him satisfaction that the organization takes into account his needs and desires and it appreciates his knowledge, experience and seniority and it is willing to provide him a satisfactory salary for the knowledge and time he puts to the organization’s disposal.

The employee has the possibility that after a certain period of time, such as a year to renegotiate the wage. The salary increase is perceived by employee as a reward for the qualitative services rendered to the organization and as a recognition of his outstanding merits. Therefore, it is indicated, that after the assessments applicable for all employees, that are usually taken annually, the corporate managers should request wage increases for the employees with the best performance, to encourage them to achieve the same or higher performance in the future. Thus, the managers will also encourage competition, and equity among employees, contributing to maintaining a fair remuneration system based on merit and to the personal development of the employees and of their needs, which ultimately will translate to sustainability across

¹³ A., Lall, *Modern International Negotiation, Principles and Practice*, Columbia University Press, New, York, 1966, p. 5, citat de M., Malița, *Diplomația, □coli și instituții*, ed. a II-a, revăzută și adăugită, Ed. Didactică și pedagogică, București, 1975, p. 280

¹⁴ F. Ch., Iklé, *How nations negotiate*, Harper, New York, 1964, p.3, citat de M., Malița, *Diplomația, □coli și instituții*, ed. a II-a, revăzută și adăugită, Ed. Didactică și pedagogică, București, 1975, p.281

¹⁵ Ioan, Popa, *Negocierea comercială internațională*, Economic Publishing House, București, 2006, pp. 106-107

corporation. Not only the material rewards have this effect, but also the intangible, such as public recognition of merit, qualifications, promotion etc.

Negotiation and decision making. The negotiation is used in decision making. The persons who decide can have different opinions, needs and interests on the discussed issue. The problems on the decision process, which are a result of the change the organization meets, can be a destabilizing factor and may have negative impact on the organizational life and balance. But if they are managed properly, they can be overcome without any negative impact on corporate sustainability. The negotiation should not be viewed as a confrontation at the decision making moment, but as an opportunity of generating new ways of resolution and finding a middle way or mutually beneficial solutions. The decision makers in the organizations should be aware that negotiation offers an opportunity, and is a problem solving tool and a method for finding new options agreed by all the parties. The negotiation should not be used only in decision making at top management level, but should be a tool used by large by all employees, even by those on entry level jobs. Therefore, the organizations which realize the importance of the sustainability and of the sustainable development, should provide negotiation and conflict management training programs for all employees, whether in electronic form or online or face to face. The negotiation is a game in which each party gives and receives something. Although the human being nature is often selfish and the individuals try to find the most satisfactory option for them, adopting a style of win-lose negotiation, at organization level the individuals should use win-win style, because is one that guarantees the highest degree of fairness and brings equal benefit for all the stakeholders. The win-win style, because of its equitable nature, because of the equal advantages it brings to all, and because it encourages the cooperation, is contributing to the avoidance of the conflicts and helps maintaining the "health" and the equilibrium of the organization, resulting in the corporate sustainability and sustainable development.

The main purpose of an organization is selling the products or services it produce. Its existence depends primarily on this activity. If it fails in accomplishing this goal, the company will disappear. Therefore it is imperative for a company not only retaining customers but also bringing new ones, helping to increase the portfolio and thus increasing profits and ensuring its existence. Therefore no company can exist without a sales department or a person designated to deal with this problem. The whole organizational life is based on sale force and other departments related to the sale, such as contract administration, credit and collection etc. The negotiation is essential in the sales activity. When we think to negotiation, we do not refer strictly to benefit-sharing and to ensuring a balance between what we get and what we offer. The negotiation is first of all a form of communication, characteristic for the human being. Therefore it is important that negotiators, in this case sale agents, contract administrators and employees working on credit and collection departments, are primarily good speakers, are masters in the communication principles. If communication is led in a foreign language, it is recommended for negotiators to have an advanced level of speaking in order to convey the message in the same code at the interlocutor and to avoid possible errors caused by incorrect interpretation of the message. It is also very important for negotiators to be able to listen carefully and to know how to effectively use the principle of empathy, of calibration, the mirroring, the reformulation. The customers buy a product or service for the potential benefits that it may have for him. ștefan Prutianu says in a paper, " the customers do not buy products for their own sake, but for the benefits of them. They do not buy things, but advantages ".¹⁶ But it is also true that in many cases, the customers decide to purchase a product or service based rather on a less rational reason than on an emotional one, especially in cases when the product or service does not differ from those of the competition, neither as price nor as potential advantages that they may present to customers. A salesman who can not correctly identify the customer's needs and who is not able to empathize, to listen, to understand the client will not register significant sales. Instead, one which meets the above conditions will have success. It is

¹⁶ Prutianu, Șt., *Tratat de comunicare și negociere în afaceri*, Polirom, Iași, 2008, p. 463

important that the agents have the discretion or possibility to address a superior to obtain a non-standard discount. There are standard discounts generally applied to the purchase of goods or services exceeding an amount fixed in advance or applied to a contract or subscription made for several years. If a customer is unhappy for some reason with the product or service provided, he will decide most likely to choose other organization's products or services, which for the organization translates into loss of customers in favor of competition, by reducing the customer base, into lower income, profits and ultimately bankruptcy. Therefore the sales agent who has the right or delegated authority to offer non-standard discounts or who can call as soon as possible a person who possesses such authority, has the ability to determine and persuade the customers to do not renounce to the products and services of the company in favor of competition. The contract administrators may face, too, cases in which the negotiation can save a situation, which seems at the first glance without solution. If a customer wants a renewal, an amendment, a cancellation of a contract and the contract administrator fails on completing the request by the fault of the client (for example when he does not provide all the information required to enable a contract) or by the fault of the contract administrator (for example, the contract administrator forgot to enter the data and to make the changes required in the system in time or if the operation takes longer than expected), the last one will be able to use his negotiation knowledge to prevent customer loss. One of the most commonly used options is to keep the client „warm” which means contacting the customer from time to time, either by phone or by email to announce that there is a person dealing with the request and that this person will return to him as soon as the requested work will be completed. The persons from the collection department use the negotiation too in their daily tasks. The knowledge of the negotiation tactics and strategies is one of the essential conditions which the debt collection analysts must meet. They are generally trained in advance, and they are provided with a negotiation training in order to meet the job requirements. It is obvious that in this job the negotiation style used is less friendly than in the sales job, and the attitude is firm, but not disrespectful.

We demonstrated that in the situations above, the negotiation is not only a job requirement, but it is a decisive factor for the continuation of the organization activity. It is used specifically by the employees of the departments that have contact with customers, such as sales, debt collection, contract administration, those departments which directly help to the revenue making for the organization, namely those which help the organization to fulfill the main purpose for which it was created, to produce and sell. Sales growth is equivalent to development, to maintaining the durability and the sustainability of the organization. We can conclude that the effective negotiation and the improvement of the communication in organization prolongs its life, provides health and sustainability.

Case Study at the Level of a Multinational IT Organization

Between May 2009 and January 2012 we undertook a study across a multinational IT organization in Romania on the role of negotiation and on how employees use the negotiation knowledge to perform tasks. We focused on some departments, such as contract administration and debt collection, where employees are forced to use their negotiation skills almost daily, due to the job specific.

It should be noted that the studied company has a well developed program on social responsibility and sustainability. It often gets involved in volunteer programs to help disadvantaged people, in environmental protection programs, by respecting environmental standards and making efforts to reduce energy and water consumption and to create products with minimal environmental impact, and when they are out of use the organization recycles them.

The organization adopted the same strategy regarding the employees. It shows interest in educating their employees who are trained from the earliest days after hiring. The organization provides trainings on organizational culture, on how to communicate and on understanding cultural differences, on the acceptance of cultural differences, on behavior norms and on how to treat the customers and to negotiate. We can say about the studied organization, that it is an organization which learns, because it thoroughly trains its employees either through online training, conference or face to face trainings and it encourages communication at corporate level. It encourages the employees to express their own point of view on various topics discussed at the meetings and even to propose alternatives and solutions to improve the processes and the activities.

As we said, the employees are delivered with trainings regarding the negotiation techniques and tactics, the conduct rules and the communication with customers, business partners and colleagues, the understanding of cultural differences. We can see how important are the trainings for the organization even from the way they are delivered. Unlike other trainings, the above one are delivered face to face. In this way the employees receive services of a trainer specialized in communication and negotiation, which besides its duty to take the course, is willing to answer questions and to clarify questions, increasing the chances that the employees fully understand the studied topic. At the end of each training session, the students are asked to complete a feedback questionnaire. The questionnaire contains questions like: *Do you think that the training has achieved its objectives?*, *How much do you think it helps you in fulfilling your job duties?* *Are you motivated to use the obtained knowledge in your work?* *How do you rate the whole course?* I took as example the questionnaires fulfilled by the employees after one of these training sessions. The scoring was done on a scale by 1 to 5 (1 being the lowest score and 5 the highest). Of 12 respondents, 7 had evaluated the course with 4, 3 of the respondents with 3 and the rest of the respondents with 5. So the overall assessment of the course taken by all participants came to 4. In conclusion, the employees believe that the courses of negotiation and communication are useful in carrying out the work and they are motivated to apply their knowledge in the relation with the customers, with the business partners and even with the colleagues. We believe that knowing how to avoid and resolve the conflicts, applying this knowledge in the labor relations contribute decisively to the equilibrium and to the stability of the organization, which translates into sustainability.

But how do the employees apply the communication, negotiation and behavior knowledge in the relationship with the customers? First of all, the principles of the negotiation are used at the first contact with the customers, when they want to find information about products and then purchase them. The negotiation is a main tool for the attraction of new customers, for keeping the existing ones, briefly for obtaining profit, so for maintaining and growing the business. Although the organization in question made itself conspicuous internationally as number of customers, employees, profit etc., this does not mean that it is not facing problems such as the loss of customers in favor of competition, and that it continually faces the change. A condition for an organization to survive over time, to be sustainable, is the flexibility and the capability to adapt permanently to the business environment. But this condition, the adaptation to the environment can not be fully achieved forever. There will always be adjustment problems in some areas, in certain niches, even for the best and longest running organizations. It is essential in this context that the organization is able to overcome the challenges to which it is subject. Starting from the premise that it is easier to prevent than to fix, the studied organization does not expect until the effect of non adaptation are visible. For example, it tries to prevent the loss of customers by obtaining feedback from them, through the interviews on the satisfaction they feel regarding the company's products and services. The organization conducts such surveys periodically. The last survey was conducted at the end of 2011 on customers in several countries and the degree of satisfaction of the respondents was from 1 (the value corresponding to the lowest level of satisfaction or to very dissatisfied) and 5 (the value corresponding to the highest degree of satisfaction or to very satisfied). The question in this case is which is and how can be

solved the customer's problem and what the organization can do to increase the customer satisfaction. Ideally, the employees should contact the customer directly, preferably by phone and not email, because it has some advantages such as the instant transmission of the message, the possibility to hear the person you are talking to and the possibility to analyze the person's reactions. The employees can identify the customer dissatisfaction, they can receive opinions and suggestions and can solve the problem by appealing to some of the principles of the negotiation. One of these principles is *do ut des* or *facio ut facias* and used in the most courteous and friendly manner, when the customer avoids to say what displeases him. The purpose of using this principle in this situation is to show to the customers the benefits they can get, the solution to their frustration, by saying what is the aspect that displeases them. The organization will work to satisfy the customers, giving them a more efficient product, a service corresponding to a greater extent of their needs, a shorter processing time etc. and instead will reach the sustainability. The same principle of negotiation *facio ut facias* can be applied when delivery times are exceeded, and the customer begins to lose patience. It is important for employees to keep the customer's interest alive and to reduce the delay impact. It is advisable to maintain the client "warm", to announce him on the stage of the delivery process, especially in cases when the product is shipped on long distances.

Another significant change for the organization in question which could have threatened the stability was the delocalization of a department from Italy to Romania in 2009. The relocation involves the loss of jobs for some employees, in this case from Italy and the hiring for people in the country where the department moves, Romania. In this case a tense situation arose from an Italian manager, who had the task of making the transfer and the Romanian workers who had to receive the transfer. The Italian manager has accused that the Romanian employees are not ready yet for receiving the transfer and reported that to the Romanian manager. The last one acted accordingly scheduling a meeting with the employees in order to find out why they are not ready yet for receiving the transfer. He found that the Italian manager, who had to make the knowledge transfer was not able to adequately explain what has to be done and from here resulted the misunderstanding. The Romanian manager asked to speak with the Italian manager. The Romanian manager have listened the Italian manager version and they looked for a solution to the existing problem. They have reached an agreement and a common solution through negotiation. They extended the deadline for the knowledge transfer activity. This example shows once again how can be a crisis overcome through negotiation and how can contribute the negotiation to the organizational sustainability.

The purpose of a company is not only to produce and deliver goods or services, but also to obtain pecuniary advantages from the trade. When the goods and services are delivered, but the beneficiaries fail to pay, the organizational sustainability may be threatened and even the organization itself may be in default to its suppliers. The studied company is constantly facing with unpaid bills for various reasons, as for example that the customers refuse to pay because the products are not the ordered ones, because they were not satisfied with the company's services, or because they are in incapacity to pay etc. In order to keep its financial sustainability, the organization has to try to recover at least a part of the debt. The debt collection department was created exactly to this end. In order to recover debts, the employees of this department should use negotiation strategies, techniques and principles. The organization offers training for their employees in this area. If in the sales department or in the contract administration department, for example, the negotiation style is the *win-win* style and the attitude is *our customer, our master*, in order to attract new customers or to keep the existing ones, in the debt collection department the adopted attitude is more sober, but not disrespectful. The employees from this department are trained to be firm, to explain the problem clearly, in this case the invoice payment, to try to find a solution with the customer to pay the invoice, to explain the customer which are the consequences if the bill is not paid, to give customer arguments that can not be appealed. The argumentation ultimately reduces to address to a speaker an argument-a

good reasoning-to make him to admit a conclusion and to determine him to adopt appropriate behaviors".¹⁷

The fact that organization registers growing profits every year is closely related to that the organization teaches its employees how to negotiate and communicate with the customers. Since 2007 the corporation's profit is increasing: in 2007 the corporation's revenue all over the world was over 88 billion U.S. dollars, in 2008 it exceeded 113 billion dollars, and in 2009 it was nearly 115 billion dollars. In 2010 and 2011 the income was of 124.5 billion dollars, respectively 129.5 billion U.S. dollars.

The Role of a Conflict Resolution Department in the Sustainability of the Organization

Although the studied organization is very concerned about the sustainability and sustainable development, there will still be contingencies and conflicts resulting from the novelty the organization faces. The conflict is a feature of the unequal nature of the organizational life¹⁸ and working with people means facing inevitably the conflicts.¹⁹ We understand so that the conflicts can not be eliminated entirely, they are a common element in any organization. But what we can do is to try to reduce the number of them, thus contributing to organizational stability. The studied company through his organizational culture, shows that it fights to minimize the number of conflicts, encourage the collaboration among employees and between them and their managers by involving the employees in decision making process, through team-buildings, by informing employees about various aspects and situation the organization faces, by requesting feedback from employees or customers.

Although the organization is trying to teach his employees to manage the tense situations, we think there are cases when the employees can not find the best solution for the conflict resolution. We consider that the employees should try to resolve those tense situations, but when they see that the situation can not be controlled, to call a manager. But if the manager can not find a good solution to solve the situations? Usually, the system of conflict resolution adopted by this organization is the "escalation" system, the hierarchization of the conflict resolution. Each employee call his superior to resolve the conflict. We think that most times the hierachization of the conflict resolution is time consuming for everyone involved. The accumulated time granted for the conflict settlement by all the persons involved is equivalent for the company with reducing productivity because the employees dedicate their time to the dispute resolution instead of resolving the job duties as quickly and efficiently. The decrease of the productivity, depending on department, may lead to over passed dead-lines, to out of term payments, can lead to customer dissatisfaction, or to another conflict, and therefore lower incomes and imbalances. Daniel Dana believes that conflicts can be seen in the following "costs" for the company: wasted time, poor decisions, loss of employees, unnecessary restructuring, sabotage, theft and destruction, decreased motivation at work, loss of working time, health damage.²⁰ For these reasons, we believe, that only minor conflicts that do not require very much time to be solved, should be solved by employees. In case of failure should be immediately notified the manager and then a specialist in conflict resolution, a negotiator or mediator. A person trained in negotiation, which has many years of experience in this field will know exactly how to manage the problem and how to address conflict, which is the best time to

¹⁷ Caraiani, Gh., Potecea, V., *Negocierea în afacerile internaționale. Strategii, tactici, uzanțe diplomatice și de protocol*, Wolters Kluwer, București, 2012, p. 79

¹⁸ Mullins, L.J., *Management and organizational behavior*, Pitman Publishing, London, 1996, p. 724

¹⁹ Deep, S., Sussman, L., *Secretul oricărui succes: Să acționăm inteligent*, Polimark Publishing House, București, 1996, p. 120

²⁰ Dana, D., *Conflict resolution*, McGraw-Hill, New York, 2001, p.18

act, what strategy to adopt. The organization will also eliminate much of the costs associated with conflicts, with their resolution, which will contribute to corporate sustainability. Even if the conflicts can not be eliminated entirely, for the mediation procedure, at least, the rate of settlement is between 60-80%, the highest percentage of conflict resolution through mediation is in France. The creating of a department for conflict resolution would be effective not only by the fact that the organization would benefit from the experience of a specialist, but that it would considerably reduce the costs of conflict, the only cost that it would have to consider would be the salary for the specialist. In addition, the internalization of the department and not the hiring of experts from outside the company, would be beneficial for the following reasons: the knowledge of the problem the organization faces, receiving information relating to the tense situations in the shortest time, the possibility to act immediately without losing valuable time with the information analysis, the employee training on prevention methods and obtaining their feedback on the spot, possibly by organizing meetings or one-to-one sessions.

Conclusions

We have shown that the negotiation has a significant role in the organizational sustainability. Most important organizations, regardless of the operating field, have a well structured policy on sustainability, on how to cope and adapt to change. They try to maintain stability and strength during time acting on the three pillars of sustainability: environmental, socio-cultural and economic sustainability. The studied organization lasts for more than 50 years, while its resistance is a clear prove of promoting a strong policy in the sustainability field. The sustainability is also due to the organizational culture, which promotes the communication between employees and the information dissemination and the use of the negotiation principles in the relationships with customers. The organization focuses its attention on creating a work environment based on communication, understanding, mutual support and kindness to avoid tense situations. To achieve the same goal, the corporation provides the employees with trainings on negotiation, communication, behavior rules. The conflicts and the tense situations will always exist in any organization, but they can be minimized if the persons involved have strong communication and negotiation knowledge. We proposed that the corporation sets up a department for the conflict resolution, because the hiring of specialists would significantly contribute to preventing and reducing the number of tense situations and would reduce the cost generated by conflict appearance and by the process of resolution. The creating of conflict resolution department and the use of the negotiation would certainly contribute to the increase of the corporate sustainability.

References

1. * * * Campania șansă la viață, șansă la noi amintiri, *Cauza*, 2010, available at la <http://www.sansalaviata.ro/> [accessed on 27 January 2012].
2. Caraiani, Gh., Potecea, V., *Negocierea în afacerile internaționale. Strategii, tactici, uzanțe diplomatice și de protocol*, Wolters Kluwer Publishing House, București, 2010.
3. Dana, D., *Conflict resolution*, McGraw-Hill, New York, 2001.
4. Deep, S., Sussman, L., *Secretul oricărui succes: Să acționăm inteligent*, Polimark Publishing House, București, 1996.
5. Dex Online, *Dicționar Explicativ al Limbii Române*, 2008, disponibil la <http://dexonline.ro/definitie/sustenabilitate> [accessed on 26 January 2012].
6. Hewlett Packard, *Raportul privind cetățenia globală 2009*, 2012, disponibil la <http://www.hp.com/hpinfo/globalcitizenship/> [accessed on 25 January 2012].
7. Iklé, F. Ch., *How nations negotiate*, Harper, New York, 1964, citat de Malița, M., *Diplomația, școli și instituții*, ed. a II-a, revăzută și adăugită, Didactică și pedagogică, București, 1975.

8. Lall, A., *Modern International Negotiation, Principles and Practice*, Columbia University Press, New York, 1966, citat de Malița, M., *Diplomația, școli și instituții*, ed. a II-a, revăzută și adăugită, Ed. Didactică și pedagogică, București, 1975.
9. Mullins, L. J., *Management and organizational behavior*, Pitman Publishing, London, 1996.
10. Olaru M. et al., "Activitatea comercială responsabilă a IMM-urilor și valorile specifice dezvoltării durabile din perspectiva modelului european de excelență", publicat în *Amfiteatru Economic*, vol. XII, nr. 27/2010, pp. 10-26.
11. Oprea, S., Bacali, L., "RSC - O tendință la modă sau un comportament responsabil al firmelor din România?" în Seria de volume *Întreprinderea sustenabilă*, volumul *Întreprinderea sustenabilă 2010*, Centrul de eco-management, 2010, pp. 203-210, disponibil la <https://sites.google.com/site/organizatiasustenabila/home/intreprinderea-sustenabila-2010> [accessed on 18 January 2012].
12. Oracle, *Oracle corporate citizenship*, 2012, disponibil la <http://www.oracle.com/us/corporate/citizenship/index.html?ssSourceSiteId=ocomro> [accessed on 23 January 2012].
13. Orange, *Responsability*, 2012, disponibil la http://www.orange.com/en_EN/responsibility/ [accessed on 25 January 2012].
14. Orange, *Philanthropy and solidarity*, 2012 disponibil la http://www.orange.com/en_EN/corporate_philanthropy/ [accessed on 25 January 2012].
15. Pasco, C., Prevet, O., *Mercatique et negociation internationales*, Dunod, Paris, 1994.
16. Popa, I., *Negocierea comercială internațională*, Economic Publishing House, București, 2006.
17. Popescu, C-tin, Ciucur, D., Popescu, I., *Tranziția la economia umană*, Economic Publishing House, București, 1996.
18. Prutianu, șt., *Tratat de comunicare și negociere în afaceri*, Polirom Economic Publishing House, Iași, 2008
19. Unicef România, *1 pachet=1 vaccin*, 2012, disponibil la <http://www.unicef.ro/campanii/1-pachet-1-vaccin.html> [accessed on 27 January 2012].
20. Vodafone, *Fundația Vodafone România*, 2012, disponibil la <https://www.vodafone.ro/fundatia-vodafone/fundatia-vodafone/despre-noi/index.htm?ssSourceSiteId=vodafoneinternet> [accessed on 23 January 2012].

Rolul negocierii în sustenabilitatea corporațiilor. Studiu de caz

Rezumat

Articolul prezintă rezultatele obținute în urma unei cercetări realizate la nivelul unei companii multinaționale din domeniul IT asupra rolului pe care îl are negocierea în sustenabilitatea și în schimbarea organizațională. Articolul arată ca negocierea nu este esențială doar în relațiile de afaceri ale firmei cu partenerii săi, ci și în relațiile din interiorul firmei, dintre angajați sau dintre angajați și superiori și ajută la crearea unui mediu de lucru stabil, care favorizează productivitatea muncii și durabilitatea corporației în timp. În articol se arată, de asemenea, din ce motive este utilă crearea unui (sub)departament care să se ocupe de negocierea și medierea conflictelor în cadrul organizației, dar și între organizație și mediul extern.