



BIZ KID\$

Episode 206: "The Art of Negotiation"

Day Two Introduction

Play part of the theme music for "Biz Kid\$" from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today's session, and introduce yourself. If needed, ask students to please use their nametags.

Review and Connect with the Previous Session

In Episode 206, we learned that negotiation is a part of everyday life. We also learned that both sides in a negotiation have to be satisfied, and willing to do business again. You heard adages such as "Buy low, sell high" and to make a negotiation a "win win" situation.

There was Kegan, the Biz Kid known as "The Negotiator", who owns a garage sale business called "Grand Slam." Kegan and his workers run garage sales from start to finish, and they negotiate everything. His tips included preparing early; having the right value in mind before naming a price; anticipating what a customer wants to spend; never accepting the first offer; making eye contact with the customer; reading their body language; and believing in the power of negotiation!

Another Biz Kid, Riley, owns and operates "Legacy Lawn Care." He negotiated with a customer to get an \$8000.00 mower for his business in exchange for a combination of money and service. He used the silent treatment as a technique in negotiating.





The young entrepreneurs who own and operate “Howbowda Bagel Company” flew to New York to meet with their vendors face-to-face.

That personal meeting enabled Dustin and Riley to compromise with their providers on costs, and resulted in lowering the price of their bagels, thus increasing their profits.

We met social entrepreneurs Brittany and Robbie who founded “Cell Phones for Soldiers”. Their non-profit organization collects used cell phones to recycle in order to purchase pre-paid phone cards for soldiers to use to stay in touch with their families. They negotiated with AT&T to partner with them, and since doing that have doubled the amount of donations.

And finally, we learned that it’s important to stay calm and composed, not to get angry and emotional. Remain optimistic about the situation!

Activity

Students are going to separate into groups; and then create scenarios that require people to use negotiating skills.

Tell students that as a group they will create a fictitious business that they own and operate. The business can be providing a service, or producing a product. Vendors are required to supply materials to the businesses. They need to rent or lease spaces in which to operate. They also need to negotiate a loan to fund the business.

Groups will have about 15 minutes to “create” and name the business, and plan how to negotiate for specific supplies, or a lease, or a loan.





Each group will share with the rest of the class what their business is, what they are negotiating for, and finally, what the plan is for a successful negotiation.

Following a group presentation, the class may discuss the plan, and whether they think it will create a successful outcome or needs improvement.

This part of the activity will take about 20 minutes, but could go longer, so keep track of time!

Separate students into groups of four or five per group, depending on whether you have an even or odd number of students. Each student will need their pens or pencils and an index card.

As soon as everyone is in a group, tell them they have 15 minutes to be ready to negotiate. Also, tell them that they may not ask any questions of you for the first five minutes. (This sends the message that you believe they have all the information they need, and are capable of completing the task successfully.)

Display the OHP Transparency labeled:

“Persuade Me to Make a Deal!”

ACTIVITY

“Persuade Me to Make a Deal!”

Students will separate into groups of four or five.





Task:

Create a fictitious business that provides a service or produces a product, and make a plan to successfully negotiate for supplies, a lease, or a loan for the business.

- What is your business called?
- What goods or services does your business provide?
- Will you be negotiating for supplies, a lease, or a loan?
- Who will you negotiate with?
- What are their possible concerns?
- What specific outcome do you visualize?
- What techniques will you use to bring about a "win win" situation?

Be prepared to present your scenario to the rest of the class.

You will be listening to other presentations, and offering comments or suggestions for improvement.

Think about how you can apply these skills to other areas of your life.





During the last few minutes of your time together, distribute the **"Family Activity Sheet"** and the **"Biz Terms"** to all students to take home and share with their families.

Thank students for their attention and participation in today's session. Encourage them to practice these new skills in order to create many successful outcomes!

