

NEGOTIATION TIPS AND RESPONSES



Negotiation is a process not an event

Think polaroid not digital picture. Keep asking questions. Negotiations develop over time. You won't have all the information you need instantly. Like the polaroid picture the negotiation picture develops over time.

Negotiate with the one authorized to make the decision

Are you sure you are negotiating with the person that will make the final decision? How do you know? Ask.

Power should be tested

Confirm you are negotiating with the person. Does she make the final decision? Simply ask "If we are ready to close the deal are you authorized to sign the agreement?"

Collaborative response

Create a common ground of understand with collaborative responses. "Yes, there may be a path to that. Let's consider the options."

Listen

Listen more than you speak. When someone is talking it's usually with information.

Ask a question, then shut up!

Most everyone is uncomfortable with silence –someone is going to fill it with conversation, and quite possibly with valuable information.

Ask for what you want

The answer is no if you don't ask. You are already at NO.

*"Everybody has the right to tell you yes or no. But you always have the right to ask."
Don Miguel Ruiz The Four Agreements*

Ask another way

Still afraid to ask for what you want? Remember it isn't WHAT you ask for, it's HOW you ask for it. Another approach is by asking a question. "What would you say if..."

Act as if you are negotiating for your best friend

Many of us would negotiate a better deal for our best friend than we would for ourselves. It is easier to advocate for someone else. The stakes seem different. You'd feel more confident. We have more courage to ask for what's reasonable when it's for someone else.

Don't go into the negotiation looking for the bare minimum.

Think about the intangibles– something that matters to you may cost them little or nothing.

Always trade never concede

Be prepared to ask for a trade. Ask for an equivalent concession.

Don't assume money is the only driver

Understand what is important to your counterpart. Don't assume money is the only driver.

Kenneth L. Shropshire in "Negotiate like the Pros"

Professional athletes are a good example. They may be willing to sacrifice monetary gain if for example, they can live somewhere specific, win more games, work with people they respect or for opportunities for advertising or sponsorship. The same can be true for whatever you are negotiating.

There may be a path to that

When asked for a concession, pause, take a breath, and respond with "*there may be a path to that.*"

I'll have to give that some thought

Don't give in to your impulses. Never accept an agreement that is worse than **one** of your alternatives. Avoid letting your ego take over good common sense. Give an answer that gives you time to think.

The power of the pregnant pause

Pregnant pause is that long uncomfortable pause where you let your counterpart fill it with valuable information. It's also possible they will respond with concessions.

Deadlines

Ask yourself is this deadline working for or against me? Have I accepted their deadline as an absolute? Test it. Is it negotiable?

Deadlines – use them sparingly

Deadlines can lead to irrational behavior. **ONLY** use them if they are real constraint for you. Your counterpart may see you as desperate. Your manner maybe interpreted as a being a bully.

Strengthen your bargain position

The less your counterpart knows about your constraints and the more they know about your bargaining strength or alternatives to the agreement the better bargaining position you will have.

Feed and nourish your network

The person with the most information has the most leverage. Create allies before you need them. Stay current in you sector of the market.

Understanding timing

Timing can be a leverage. Is it the end of the quarter? Are sales quotas influencing decisions? Does the manufacturer need new equipment to fill a lucrative contract?

Disagreements

Focus on the issue not the individual.

Reputation

Your reputation will spread. Build an ethical one.

Respect your counterpart

Negotiation relationships matter now and, in the future, – even if the negotiation doesn't come to a successful conclusion. Think about how you will be remembered.

“If you are planning on doing business with someone again, don't be too tough in the negotiations. If you're going to skin a cat, don't keep it as a house cat.”

Author - Marvin S. Levin

Law of reciprocity

It's a law of human nature. When you do something nice for someone, they are substantially more like to 'return the favor. There is an obligation to reciprocate. This goes for both positive and negative behavior.

Be prepared and be aware

The law of reciprocity in negotiations can be used for and against you. Your best defense is being prepared and being aware. Don't wing it. Be prepared before accepting a concession to “split the difference.”

Split the difference

The offer suggests you give a fair play response, by “meeting in the middle.” This makes good business sense **only** if you have adequate information about the value of the deal.

Be the most prepared person at the table

Never wing it. The clearer you are on what you want, your alternatives and when you will walk, the more successful you will be.

Data isn't glamorous, it is the ultimate equalizer

Demonstrate you deserve what you're asking for. It's hard to argue with real data.

“Having data makes David's out of Goliaths, and ignoring data makes Goliaths out of David's.”

Author - Brian Dietmeyer

When they attack don't react

If your counterpart pushes hard, typically asserting their position, attacking your ideas or attacking you. Don't attack back, look behind it. Find the underlying driver. Is it fear?

Power is neither good nor bad. Abuse of power is bad.

Power should be tested. You will never know how much power you have until you test it. Chances are you have more power than you think.

Price and terms are different

Understand the difference between the price and the terms of the agreement.

Think about the final outcome. Use actual numbers. For example, an agreement that gives you \$1000 [price] better than your ask for but with payments of \$1 a week [terms] until it's paid off is not a good deal.

Embrace your style

Understand and embrace your style. Don't try to change. Focus on strengthening it.

If this proposal is not acceptable to you, what are you proposing?

Ask probing questions about where the potential differences are.

Who's winning?

"Like in marriage... in negotiation it is inappropriate to ask, "who's winning?" If you have to ask you've already lost. (Book: Fisher & Ury Getting to Yes)

Choose the location & set the agenda

Location matters with face-to-face negotiations. Pick a neutral location. You the option to close the conversation and gracefully leave.

Name the elephant in the room

If you find yourself in a negotiation conversation that has less than optimal atmosphere. Remember everything is negotiable. The time, room temperature, breaks, participants. Name the elephant in the room.

Use collaborative words / avoid aggressive ones

Start a list of collaborative phrases. Avoid “us vs. them” syndrome. It’s a slippery slope to thinking there is only one answer to the challenge at hand.

- There may be a path to that
- I’ll have to give that some thought
- What would you say if?
- Help me understand
- If I heard what you said
- Could I rephrase your challenge/offer/the issue?
- see the list of 22 clarifying questions

Loose lips sink ships

“Negotiation” encompasses all of the interactions with your counterpart. It begins with the first contact you have with the person/company. Share relevant information when it is relevant. Protect your negotiation position by only disclosing information at the appropriate time

Learn from past negotiation

Talk with others that have previously negotiated with your counterpart. This can be within your organization or within your network. What is your counterpart’s mode of operation? What can you expect during the negotiation? You can assume your counterpart will be doing the same.

Never be fooled by the flinch!

Showing visual signs of disappointment or worry can influence you to make larger concessions. A look of shock, mouth open, speechless, wide eyes can startle your thinking. You may be tempted to give a quick response. Silence has a similar impact. Remember you can use the flinch too.

The answer is NO if you don’t ask.

No means not now

Ask again later. Ask in a different way.

Never say no without checking it out

Ask clarifying questions. Take time for additional research. Simple respond with “ I’ll have to think about that.”