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Effective Negotiation Skills

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Session Goals


- Discover the right approach for successful negotiations
- Laying the groundwork BEFORE negotiating
 - Identifying drivers and objectives
 - Having a strategy
 - Overcoming barriers & breakdowns
- Understanding the five stages of negotiation
- Learning ways to achieve mutually acceptable solutions
- Choosing closing options





Conflict Happens!



- What are some common causes of conflict at work?
- Conflict is often a result of unmet needs or misunderstandings
- To resolve conflict, get past the emotions and understand needs and expected/wanted results
- Successfully negotiating minimizes negative results of conflict.
- When negotiation is successful, there is no “winner” or “loser”.



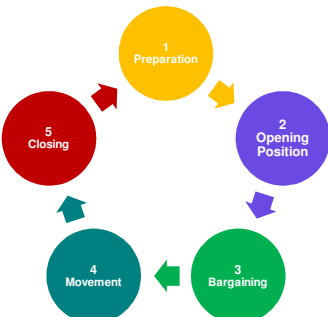


How well do you Negotiate?

Assessment Score

- 32-64 – You need to learn to use and recognize the strategies and tactics essential to successful negotiations.
- 65-95 – You have reasonable negotiating skills, but certain areas need to have further improvements.
- 96-128 – Your negotiations are successful. Continue to prepare thoroughly for every future negotiation.






The Negotiation Process



General Guidelines

- Your goal is to find mutually acceptable solutions
- Be sure to define a range of objectives and remain flexible about some
- Explore possibilities of a wide range of options
- Preparation is key - Prepare well
- Interact competently – listen, ask questions
- Prioritize clearly



Preparation - Early Steps

- Don't take shortcuts when preparing.
- When getting started, be sure you understand:
 - *the drivers*
 - *what is valued*
 - *what each party has to gain*




Preparation – The Big Picture

- What are the Strengths of both positions?
- What are the Weaknesses of both positions?
- What are the Benefits to both sides?
- What are the potential negative consequences to both sides?



Preparation-Know What you Want

- What Do You Want?
 - Relate these to your interests to increase the chances of a favorable settlement
 - WIIF?
- Prioritize What You Want.
 - This will ensure that you can trade when needed
 - Ensure that you have completed your calculations!
 - What will it cost you versus what will the benefits be?



Preparation-Consider the Other Side



- Put Yourself in Their Shoes
 - What are the issues that you think that they will be concerned about?
 - List the Settlement Points that they may want for each of these issues.
 - Would you be willing to give in to these settlement points?



Preparation - BATNA



- Develop your 'B A T N A '
 - Best Alternative To a Negotiated Agreement
- A Weak BATNA
 - Decreases Your Bargaining Power
 - May lead to an unfavorable settlement
- A Strong BATNA
 - Increases the chances of you reaching a favorable settlement



The Principle of Exchange





You must give in order to receive

- Realize that all parties need to gain something of value in exchange for concessions
- Understand what is valued – may not be the same for both parties
- Flexibility is a vital characteristic



Building your BATNA



- Construct a prioritized 'Shopping-List' that can be traded during the course of the negotiation
 - *"Must have vs. nice to have"*
 - *What would you "give"?*
 - *What do you hope to "receive"?*
 - *What do you think they would be willing to give and receive?*

Opening Position



State Your Needs

- The other person needs to know what you need to have.
- It is important to state not only what you need but why you need it.
- Often disagreement may exist regarding the method for solving an issue, but not about the overall goal.



Opening Position

- Questioning
 - For Information
 - For Clarification
 - For Commitment
- Confirm all agreements reached and positions offered

Bargaining



- Negotiating is as much about listening and observing as it is about talking
- Judge the mood
- Anticipate the tone
- Ask questions for clarification, to show you're listening, and to build rapport
- Read nonverbal signals
- Listen to what the other group says
- Listen to how they say it
- Observe, take notes
- Adjust your strategy

Bargaining

Solicit The Other's Perspective

- In a negotiating situation use questions to find out what the other person's concerns and needs might be. You might try:
 - *What do you need from me on this?*
 - *What are your concerns about what I am suggesting / asking?*






Bargaining

When you hear the other person express their needs or concerns, use listening responses to make sure you heard correctly.



For example:

- *So, you are saying that you are worried that we'll put the tool in place and the users won't use it?*
- *If I have this right, you want to make sure that the phones are covered over lunch?*



Movement

- Look for any mutual points of interest
- Identify any major differences
- Explore all possible routes
- Aim for a mutually beneficial outcome Be Prepared to Concede
- Begin with those of Low Priority and seek High Priority Items
- Never Concede on More than you are sure is possible





Movement

- Use Conditional Argument
 - If you would move on Y then we would be prepared to move on X
 - In return for Y we could move on X
 - Movement on Y would allow us to move on X
- Make concessions that are acceptable to everyone





Getting Agreement

- Emphasize the benefits to both parties
- Carefully introduce the consequences of not reaching agreement to both parties and losing what has been agreed so far





Closing

- Ensure that all agreements are understood and accepted before finalization
- Agree on next steps and results expected
- Document decisions and provide to both parties



Summary

- Lay the groundwork BEFORE negotiating – the more time spent in preparation, the easier the negotiation
- Use the five stages of negotiation
- Know before going in what you are willing to give and what you “must have”
- Achieve mutually acceptable solutions
- Strong Communications skills are necessary (body language, vocal elements, empathy, etc.)



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Questions



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Thank you!

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