

The “Art” of Negotiation

We negotiate every day of our lives and sometimes find it enjoyable but sometimes quite daunting.

The following tips will help Members analyse more closely how effective they are at negotiation within a business environment and offer some guidance for improving the results.

Imagine a scenario where you have to negotiate a sensitive issue with another company with whom you have an ongoing trading relationship and need to arrange a meeting with them for the sole purpose of amicably resolving your differences.

Pre-Negotiation

The lead up to a negotiation meeting is as important if not more important than the meeting itself. Here are some things to think about:

- Consider your communication lines prior to meeting and keep the dialogue going in a positive way
- Understand the background to the issues which require negotiating to help put the process into context
- Put together a “negotiation fact file” with all the relevant details and correspondence in , you can take this to the meeting and although you may not need it depending on how things go , keep it as a reference point if you are stuck on a particular issue
- Try to understand the “balance of power” before negotiating
- Do a personality profile on the people you will be negotiating with so you can understand their thought processes better and internal reporting lines
- Consider what compromises you are prepared to make
- Think about what you want to achieve from the negotiation – be aware that you can “win the battle but ultimately lose the war”
- Put yourself in their position – what do they want from the negotiations?
- Draw up some “what if scenarios” – exploring what your response would be to some difficult questions
- Decide what your “bottom line” is and stick to it

Setting the Scene

Many of us prepare well but fall down when it comes to the final lead up to a face to face negotiation, here are some tips:

- Ensure the venue is conducive to negotiation in terms of comfort and aids such as seating room and flip charts if required or other communication aids on the day
- Agree with your team who will do the talking and who will chair the meeting, don’t contradict or over talk each other



- Make sure the attendees are “decision makers” or you may spend all day negotiating with the wrong person
- Do not overstep your authority level if you have one
- Circulate a mutually acceptable agenda for the day and objectives
- Keep dialogue going right up to the meeting
- You may wish to have a “without prejudice “ meeting (where the discussions and any records cannot be used by either party relative to a future legal action)

The Negotiation Meeting

There are many hidden facets to meetings and in the case of a Negotiation Meeting the following are prevalent:

Psychology

- Try to put everyone at ease – conducting negotiations can be physically and mentally tough on everyone
- Arrange the seating in a non contentious way to avoid the “us and them scenario”
- Make sure everyone is properly greeted and offered a beverage and if the negotiations take a day some lunch
- Remind everyone about the agenda and the objectives of the day to get their “buy in”
- Set the background scene in your introduction so everyone understands the context of the meeting
- Use humour (but only when appropriate)

Use of Time

- Keep to timings and watch the clock to ensure you get through the issues
- Use “time out” if necessary , if you are stuck on a point or need to consider an important decision ask to leave the room for 10 minutes to consult with colleagues
- Use break times to your advantages and get to know your opposites a bit better, this may help reduce tension

Body Language

- Be sincere, honest and trustworthy, if you are people will want to do business with you, if you are not it shows!
- De-personalise issues , sometimes it’s not an individual’s fault
- Avoid emotionally overcharging – you’ve got to come back around the table anyway

Dealing with Difficult People

- If you have a point to make which you sincerely believe in but the opposition do not accept you can use a technique called “broken record” where effectively you keep repeating the same point but in a polite way



- “Park” or put to one side difficult unresolved issues with a view to coming back to them later in the day
- Try to be magnanimous and make the first step at compromise
- When trying to influence the opposition and sway them to your view make your point to the person who is most likely to listen and empathise
- Use “open” rather than “closed” questions – closed questions are ones which elicit a “yes” or “no” answer and can seem intimidating to the individual and a trap by the opposition
- Use demonstrative tools as much as possible. For example if you are discussing a point about disruption, show some contemporary photographs or an as built programme which demonstrate what it was like at the time

Closing the Deal

Its great having a fruitful discussion but sooner or later things have to be closed off and agreed, here are some useful pointers:

- If you make an offer do not interject, wait for the response even if silence ensues for a few minutes
- Always remember your “bottom line”
- Let the opposition make their best offer before responding
- Celebrate success and progress
- Always leave a negotiation meeting on a high even if you have not made as much progress as expected
- Keep an impartial record of proceedings if you want to keep an agreed joint record
- Set up the next meeting sooner rather than later if one is needed

Finally

After your negotiations have been agreed and settled get some feedback from the process from those who were there and those who were not.

If you have been given a hard time from someone who is a very good negotiator, try to analyse why they were particularly good, in other words learn from the best.

Remember In business you’re only as good as your last deal!

If you need help in your business negotiations or some guidance by way of a Workshop please contact Redfern Contract Consultants Limited on 01283 512 535 or via email at info@rcclimited.com

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