

Developing an Understanding of Negotiation Principles and Techniques

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The most important concept of negotiation to learn is to seek satisfaction for all participating parties. A "Win - Win" result comes from trust, confidence, and fairness through a process of compromise.

Successful negotiating is more likely to occur in a relaxed atmosphere free of stress. Your personal conduct should impart confidence through your voice, your firm, brief handshake, and direct eye contact. Always keep in mind the individuals you are negotiating with. Do not necessarily use a firm handgrip on a frail person or one who wears a lot of hand jewelry.

For extra impact, familiarize yourself with the various styles of handshake, Examples include the Parson's handshake, Politician's handshake, and the Diplomat's handshake. The left hand is used to cover the two grasping right hands in the case of the former handshake. Resting the left hand under the elbow or upon the shoulder fulfill the latter two handshakes. Each adds an additional expression of sincerity.

The primary objective of negotiation begins with establishing the criteria for each and all parties involved. A value can then be attached to each criterion as discussions reach for a compromise. Historically, eighty percent of the agreements occur in the last twenty percent of negotiating time.

Many strategies influence the outcome. Several examples follow. Nibbling is a technique devised to get a little more out of a deal once the 'final' negotiation is achieved and everyone is a little more relaxed.

Hot potatoes are problems requiring validation. A closer look at their origin helps to clarify the issues. This may be coupled with the strategy to call on a higher authority such as a committee or CPA. You can interpret this as a sweat tactic used to pressure a more favorable outcome for the party applying it. Depending on the importance you attach to this issue, it can become a bargaining chip to yield on as you weigh in on more significant issues. In the case of an impasse, it may be prudent to set it aside and seek common ground by getting other issues satisfied first.

Good guy/bad guy techniques are often used in sales negotiations. This is a common strategy used to nail down a pricey item. The sales representative peaks your interest and then hands you off to an associate to complete the deal. Expect it. Prepare your own strategy to counter any less desirable outcome. Mentally set your limits and be prepared to execute your 'walk away power'.

Rather than argue a point, use the "feel, felt, and found" technique. "I know how you feel. I felt this way before and found our compromise to be rewarding."

The 'dumb is smart' technique can disarm others giving you an edge to manipulate your way to a beneficial outcome. Applying the 'flinching' strategy can give the subtle impression of too much is too much without saying a word.

The 'you can do better than that' counter technique helps to acknowledge the magnitude of the rift. To turn this around and encourage the answer from the person asking the question, reply with 'exactly how much . . . ' is needed to resolve the issue.

Avoid bragging, boasting, or gloating. It will not serve any purpose other than enhance your own ego and potentially derail current or future negotiations.

Always put the results in writing remembering that the person who writes the contract has control! If you are handed a contract, look closely for additions. Be on the look for 'funny money' closure offers. 'For just the cost of a glass of water or coffee a day, you can have this wonderful addition!' Always look at the final result. The daily add on of a 'minor expense' could lead to thousands of dollars over the course of the contract.

You can 'ask for it all'. Set the other person up for success by asking for more than you expect. Then negotiate away particular items you really did not expect or need in the first place.

Make a low 'final offer' in anticipation of being flexible. Depending of your willingness to walk away make an offer below your target point and compromise up to it! You never know how low a seller will go until you push the point. The objective here is to have the other party split the difference. In the case of royalties on your invention, consider a point or two higher than you could realistically expect. Or turn the question around and ask the other party what they would consider reasonable.

Stay focused on your goal. Along the way distraction techniques can be used to draw your opponent's attention from the focal point of winning the game or the prize.

Watch out for the 'puppy dog close'. 'Take it home and try it for a few days.' It is human nature not to want to give something back once you enjoy it or are empowered by it.

Work at a table to keep your edge. Make sure everyone has a copy of the contract plus any changes made to it. If a signing partner such as your spouse prefers not to be at the table, learn why ahead of time so as not to offend his or her sensitivities. Always avoid offending others, especially those sitting on your side of the fence.

Learn how to ask open-ended questions. The answer is not necessarily a simple yes or no. It may need to be explained in detail.

Always be on time. Tardiness gives an impression you do not respect the other party's time.

In summary, know your opponent. Understand the challenge. Introduce new alternatives when helpful to move the process along. Help set the rules once you establish the goals. Finally go for the agreement.