





30th September 2024 – now 17th October 2024





AGENDA

Introductions & what you are hoping to get out of the session

3 main approaches to negotiation

Preparing for negotiation

Common pitfalls

8 core negotiation tactics

Negotiation exercise / Comfort Break

12 ways to break deadlocks and keep relationships

Summing up



3 main approaches to negotiation



Positional bargaining - soft

- Participants are friendly
- The goal is to agree
- You make concessions to cultivate the relationship
- You are willing to change your position
- You make offers
- You accept one-sided losses
- You yield to pressure

1. Participants are

The goal is victory

adversarial

You demand concessions as a condition of business

Positional bargaining - hard

- You dig into your position
- You make threats
- You demand one-sided gains
- You apply pressure

Negotiating on merits

- Participants are problem solvers
- The goal is to solve the problem
- You separate personal relationships from the problem
- 4. You focus on interests, not positions
- You explore common ground
- You invent options for mutual gain
- You reason and are open to reason and yield to principles, not pressure





Preparing for negotiation





- 1. What do I want (what is the ideal outcome for me)?
- 2. What do I need (what is the minimum I am willing to accept)?
- 3. What are my alternatives (What happens if the negotiation fails
- 4. What is the worst that can happen (What do I want to avoid)?

And then repeat this exercise from the perspective of your counterparty





Common negotiation pitfalls



ONE:

Assuming you are in the weaker position

TWO:

Not understanding the value of what you offer

THREE:

Dropping your ask/position too quickly

FOUR:

Not seeking common ground throughout the process

FIVE:

Getting stuck on specific elements

SIX:

Entering negotiation without knowing what you are willing to compromise on





8 core negotiation tactics









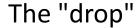


The "drip"

Making demands little by little

Pro: can avoid scaring the other side

Con: can feel neverending



The opposite of the "drip" - share everything upfront

Pro: clear what you are seeking to achieve

Con: Can be overwhelming or an overshare of info

Patience

This can be a useful asset / devastating weapon if the other side is excited

Pro: being calm can defuse tense situations

Con: in the face of enthusiasm can be damaging

Slow agony

Never saying no, defer decisions, asking lots of questions

Pro: useful when you are being pressured

Con: can make the other party so frustrated they leave





8 core negotiation tactics











Faking

Pretending there is something you absolutely cannot do/concede

Pro: useful as a bargaining chip

Con: can be exposed, which may jeopardise negotiation

Apathy

Answering questions without energy or passion

Pro: good defence against high pressure

Con: may trigger the other party into frustration

Limits

Allow the other party to go so are but no further

Pro: Useful when the other side keeps pushing

Con: if you set and then break your own limit you will not be taken seriously

Fait accompli

When you make a threat if something else doesn't happen

Pro: can demonstrate how serious you are

Con: you will need to deal with the consequences







Negotiation exercise – followed by group discussion

- Consider your usual approach to negotiation what mix of soft, hard and merit-based tactics do you usually use?
- 5 minutes comfort break/thinking time what is your strongest and weakest negotiation tactic normally?
- 15 minutes we are going to ask you to split a goat and when we are back in session, to share how you split the goat between yourself and your partner

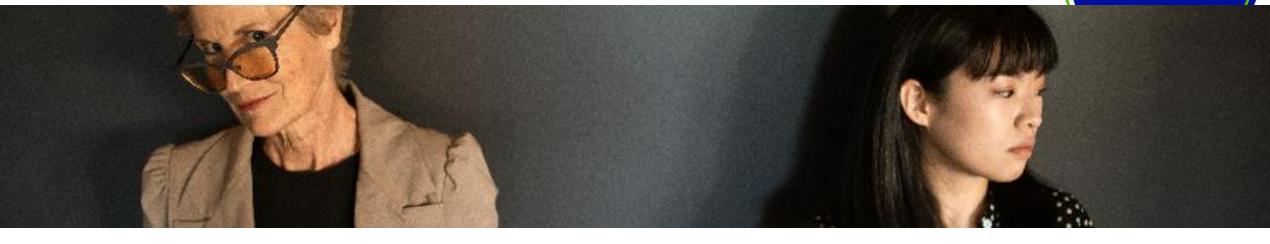
+ sharing outcomes and group discussion + vote











1: Recap

Recap the discussion to ensure there really is a deadlock

"To recap we are discussing point X and we are trying to reach agreement on A, B and C"

2: Emphasize

Reiterate areas of mutual interest

"We are both wanting to find a resolution to this"

3: Cost

Stress the cost of not reaching agreement and the situations you want to avoid

"If we can't agree on this then all our previous work will be wasted"







4: Postpone details

Reach an agreement in principle and postpone agreement on details to a later date

"Agree to agree and sort out

the details later"

5: Secrets

Try to find out if the problem is based on something the other party isn't telling you

"Hidden agenda"

6: Changing the contract

Clean Heat

Changing the type of contract, changing contract specifications or terms and adding options to the contract

"Bespoke" vs "One-size-fits-all" - noting legal costs add up quickly!







7: Change the setting

When things get too heated, suggest changing the setting by holding an informal discussion outside of the current environment

"let's take this offline"



8: Concessions

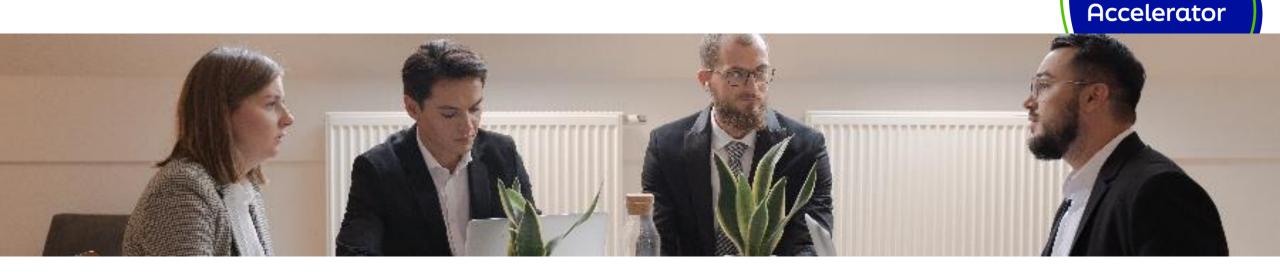
Make concessions which are contingent on settling all the issues

"I am willing to accept changes to clause A and B if this means we reach agreement by Friday"

9: Change the people involved

Sometimes the chemistry between the parties at the table just don't mesh and it becomes necessary to substitute one or more team members





10: Be careful with language

It is easy to escalate a conflict – one way is to shift the use of language

"You are responsible" vs "Your company is responsible" vs "Company AAA is responsible"

11: Use a hypothetical

For a particular issue, use a hypothetical situation to illustrate how you perceive the impacts to both parties

"With this clause, if X happens, then our liability will be far greater than the potential upside"

12. Be patient!

Being patient and calm — without being apathetic — is one of the most powerful strategies to resolve conflicts and to "win" at negotiations in general.

Clean Heat

"Passion is good for sales, patience is good for conflicts"







