

Saturday, November 11, 2023

TIPS FOR BEFORE AND DURING NEGOTIATIONS:

- **Interests:**
 - The reasons you're engaged in a negotiation in the first place.
 - What motivates you to come to the table:
 - Needs
 - Wants
 - Fears
 - Desires
 - Goals
 - Doesn't have to be mutually exclusive from that of your counterpart.
- **Positions:**
 - The possible options you have to achieve your interests.
 - Positions are often confused with interest because they're easier to grasp and communicate.
- **Be curious but beware of bias.**
 - Choose curiosity over certainty.
 - You want to discover everything you possibly can about your counterpart.
 - Stay in fact finding mode throughout the negotiation!
 - Don't get stuck to a script.
- **Watch out for bias.**
 - Bias is a state, not a trait.
 - Be on the lookout for the state you are in
 - Bias can:
 - Take many forms.
 - Lead you to faulty thinking that hurts your negotiation.
 - Be contained in our assumptions and curiosities.
- **Avoid & confront biases.**
 - Remember we all make assumptions:
 - We make assumptions based on our own values, experiences, and our culture.
 - We consider information we feel is important for negotiations.
 - We presume the information we find important is important to the other party.
 - We assume the people we interact with, manage, befriend, hire, and do business with think similarly to us.
 - It can be very hard to get on the same page as others.
 - Values are very personal to each of us and are derived from a variety of factors (age, race, gender, education, socioeconomic status)

- Question any biases you may have.
 - Don't take starting points for granted.
- Ask clarifying questions:
 - What standards are being used to determine the meaning of words and values?
- **While negotiating be mindful & slow it way down.**
 - Stay in system 2 thinking!
 - 2 types of thinking:
 - System 1 thinking:
 - Quick and grounded in intuition.
 - **System 2 thinking:**
 - **Slower and more conscious.**
- **Intentionally seek advice from people who will challenge your thinking.**
 - Fight any inclinations to not to be open to challenging viewpoints.
 - This will help you:
 - Imagine your counterpart's interest.
 - Anticipate reactions you may not have considered.
 - Avoid confirmation bias.
 - Prevent yourself from being surprised by ideas or perspectives you hadn't thought of.
- **The art of conversation:**
 - Done **Correctly:**
 - Be genuinely curious and make authentic connections.
 - Achieve this by:
 - Engaging in conversations
 - Asking open-ended questions
 - Staying genuinely curious about the other party
 - Don't ask questions about a subject that's not meaningful to you.
 - You have to care about the answers to the questions you ask.
 - "Tell me about yourself"
 - Possibly the most powerful way to open any conversation.
 - Let's your companions begin the conversation where they want to.
 - People love talking about themselves!
 - Done **Incorrectly:**
 - Making the other party feel like you're:
 - Manipulate them
 - Interrogating them
 - Interviewing them for a job
 - Being inauthentic
 - Being Disingenuous

PREPARING FOR NEGOTIATION:

- **Plan an agenda for the meeting.**
 - What information are you willing to share?
 - What information are you NOT willing to share?

- **Prepare yourself before entering a negotiation.**
 - List your:
 - Motivations:
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 - Prioritized interests:
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 - Goals
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 - BATNA - Possible alternatives for meeting YOUR interests:
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 - Positions:
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 - Arguments:
 - Strengths:
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 - Weaknesses:
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 - Anticipated counterarguments from the other party:

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- How you would respond to those counterarguments:
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- **Decide YOUR bottom line – BATNA [Best Alternative To a Negotiated Agreement].**

- What is YOUR walk away alternative?
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- Consider what may limit your ability to pursue your alternatives:
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- Consider what would make your alternatives less attractive:
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- **Sometimes, sharing your BATNA with the other party is beneficial.**
 - “Whatever agreement we come to, if we end up with one at all, it must be better than _____.”

- **Research the other party.**

- Reach out to:
 - The other party's company.
 - The other party's competitors.
 - Colleagues who have negotiated or worked with the other party.
 - People in your organization have the same role as the person with whom you are negotiating.
 - Your marketing department for any industry research, reports, or competitive intelligence it has gathered about the other party.
 - Friends and relatives who work (or previously worked) in the other party's position or industry.
- Ask them:
 - What they learned during their past interactions:
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- Look into:
 - The other party's company.
 - Visit their website.
 - The industry
 - Their competitors
- Read:
 - Trade journals
 - News articles
 - Press releases
 - News interviews
- ***Anticipate who needs to be involved in evaluating and approving deals:***
 - **MAKE SURE THEY ARE IN THE ROOM DURING THE NEGOTIATION.**
- Create:
 - Questions:
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 - Statements:
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 - Relevant and helpful information, documents, presentations, etc.
- **Think about what the other party wants.**
 - "What would I care about if I were them?"
 - "What would I argue if I had their interests and their information?"
 - Anticipate their:
 - Motivations:
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 - Prioritized interests:
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 - List possible alternatives for meeting THEIR interests:
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 - Positions:

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- Arguments:
 - Strengths:
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 - Weaknesses:
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 - Prepare responses/considerations/counterarguments to their arguments:
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- **Anticipate THEIR bottom line.**

- What is THEIR walk away alternative?
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- What are things you can do to:
 - Limit their ability to pursue their walk-away alternatives?
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 - Make their walk-away alternative look less attractive?
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- **Have potential offers.**

- **POSITIVELY FRAME YOUR OFFER.**
 - People are more receptive to good news and things with positive connotations.
 - People are less receptive to bad news and things with negative connotations.
- Consider alternatives to tell the other party if they deny an offer you make.

- What are some deals which could satisfy you and the other party?
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- **Plan your Bargaining & Concessions.**
 - **Establish that you have boundaries & you are not limitless.**
 - Avoid making proposals that have little or no chance of being accepted.
 - This saves time and minimizes frustration on both sides.
 - Figure out:
 - What kind of message you want to send through your bargaining.
 - The value of your options.
 - The value of your potential concessions.
 - What are you willing to give up?
 - Make sure you're not going to put yourself in a WORSE position than where your BATNA will put you.
 - What do you need to receive in **EXCHANGE** for giving something up?
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 - List your options in order of priority:
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- **Practice or role-play before your negotiation.**
 - Practice your arguments, questions, planned reactions, delivery of responses, and counterarguments.
 - These will improve your at-the-table effectiveness and decrease your chances of doing or saying something you might later regret.

DURING NEGOTIATION:

- **Be prepared to think on your feet.**
 - be prepared to waver from whatever script you've come with.
- **Avoid making unconscious reactions.**
 - Such as facial expressions or other "flinches."
 - These can undermine what you are trying to accomplish.
- **Consider utilizing "Planned" reactions.**
 - Planning reactions to certain things may support what you are trying to accomplish.

- Do NOT agree or accept a deal that is WORSE than your walk away alternatives.
- Do not allow yourself or any deals to be manipulated or undermined by the other party through:
 - Negotiating tactics such as:
 - Commitment-related tactics:
 - **Falsely representing authority** to make you believe you have secured a complete deal, only for the other party to later inform you that their boss or approval group needs more things included/improved within the deal to agree.
 - Divide and conquer tactics
- Determine if the party you are negotiating with has AUTHORITY to approve and commit to any deals.
 - If NO:
 - Ask:
 - Who has authority to approve and enter deals?
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 - Will they be joining THIS negotiation session?
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 - Will they be joining the FUTURE negotiation session?
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 - What does their *deal evaluation and approval process* look like?
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 - What do you NEED to provide to assist in that process?
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 - What CAN you provide to secure the best outcome in that process?
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 - Determine if:
 - **You need to invite the parties with authority to the table before the negotiation continues.**
- During the information exchange phase:
 - Set expectations for the conversation:
 - **Make sure you are the other party are on the same page** for what will be discussed during this meeting.
 - Information exchange does not stop once someone has thrown out an opening offer.
 - **Ask what made them come up with their offer.**
 - Never close the door to learning more.
 - You're learning with the opening offer firmly ingrained in the back of your mind, offering a backdrop to the discussion.
 - Don't jump right into bargaining.
 - The more you learn before initiating the actual bargaining process, the more likely you are to engage in a negotiation that is:

- Thoughtful
- Void of derailing surprises.
- Consensus driven.
 - Because you have successfully established an understanding of your mutual interests
- Get to know each other.
 - What you learn about the other party may affects how you approach the negotiation
- Make a hypothesis, test it, and adjust.
 - If you find that your assumptions are wrong, you don't need to abandon your goals.
 - You may need to:
 - Find a different way to get to your goals.
 - Modify your goal to reflect the new information that was introduced in the conversation.
- The information exchange involves:
 - Asking questions
 - Showing authentic interest in your counterpart
 - Creating a natural rapport that puts both sides at ease.
- Your curiosity towards your counterpart shows:
 - You want to know more about them.
 - You want to know everything that may affect the deal in some way.
- LISTEN to the other party to understand their:
 - Motivations:
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 - Interests:
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 - Positions:
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 - Goals:
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 - Arguments
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- Compare interests.

- See where your interests and their interests:
 - Align
 - Are comparable
 - Conflict
 - Are shared
 - Are different

- Create a mutually satisfying & sustainable deal.

- Determine what you and the other party:
 - Have that might be of value to you or them
 - Or
 - Can do that might be of value to you or them.
- Uncover potential sources of value.
 - This increases abilities to invent creative, value maximizing solutions.
- Avoid making proposals that have little or no chance of being accepted.
 - This saves time and minimizes frustration on both sides.
- Craft deals that acceptably satisfy your and the other party's interests to increase the likelihood that the deal will be sustainable.
 - The other party will be motivated by their own self-interest to successfully implement the deal.

- **BARGAINING & CONCESSIONS:**

- ***Establish that you have boundaries & you are not limitless.***
- Figure out:
 - What kind of message you want to send through your bargaining.
 - The value of your options.
 - The value of your potential concessions.
- List your options in order of priority
- Test boundaries of the other party and push their limits.
 - Understand that the other party may not be capable of moving more after a certain point.
 - Evaluate how much the other party moves & counteroffers.
 - This can indicate that they have neared or reached their limits.

- Plan an agenda for the next meeting.

- Gauge what progress you are making.
- Develop an accurate negotiation timeline.
- Set appropriate expectations.

PARTING NOTES:

Never stop advocating for yourself!

Closed mouths don't get fed!

If you want something, say something!

Momentary discomfort is worth long-term
satisfaction!

Now go get what you want!