



TOPIC GUIDE: Negotiation Tips

These are just some of the tips extracted from:

The “Introduction to Effective Negotiation” Course from the Buying Support Agency

1. Ask yourselves one simple question before you go into that deal-breaking meeting - What will we do if we don't do this deal? **Never go into a room knowing you have to do the deal.**
2. Remember in any negotiation the **power is in the hands of the party with the best alternative**. This 'Plan B' should be half-enacted - some of the work should already be done, this makes your walk away point easier to visualize. 'Plan B' should also be real, practicable, written up and agreed by your team in advance – in fact the true test of a great alternative is that it starts to look an attractive proposition in its own right!
3. Prepare in advance a list of **tradeables**, remember the definition of a tradeable is something that is valuable to them and **easy for you to give**. In most negotiations we think solely about money and we forget other tradeables, but remember that **time** is a resource and just as valuable as money – think about the value of time to them and use it as a lever.
 - Maybe they would give you something in exchange for saving time if time and hassle is important to them?
 - Maybe giving some of your time to help them do some of their work is valuable to them and easy for you to give?
 - Maybe getting the product or service earlier (or later) is worth money to them?
 - Maybe you can use **time pressure** to your advantage? If they need a deal quickly, they are much weaker, and if you appear to be a bit slow or to get bogged down in detail they will be forced to say; “Oh OK then, let’s just agree this and move forward”.
4. Always use the **language of negotiation**; “If you.....then we.....”
 - Don’t get drawn into making a series of small seemingly unimportant concessions, this is like death by a thousand cuts.
 - **NEVER** make a concession of any kind, no matter how small, without some kind of payoff from the other side.
5. How wide should your opening offer be? Clearly if it's too wide they will laugh at you and perhaps walk away from the deal completely and perhaps this will discredit you for future negotiations, but if it's not ambitious enough, you're giving money away.
 - A rough rule of thumb, is to think about what you expect to get (this will be lower than their offer if you are buying and higher than their offer if you are selling),
 - then think about what you might get if everything was in their favour (take a moment to have a mini-fantasy about them being desperate to sell
 - Then you have to go slightly beyond this point - don’t worry you can always back down using the list of tradeables that you have prepared in advance
6. Verbal and other tactics of negotiation:
 - Take a heli-view and remain **emotionally detached** from the argument.
 - **Remain adult** and try to keep the interaction as adult/adult or it will degenerate to parent/child and never recover
 - Show empathy **without agreeing** - 'I can understand why you might say that...'
 - Ask lots of **questions** to clarify their situation and gain better understanding - this shows you are listening and **buys time** – remember long negotiations for best outcomes.
 - Pick them up on the **actual words** they use.
 - Comment on the process rather than the **emotion**.

- Use **feel/felt/found** - I understand how you feel – he/she felt the same way once - but they found that
- Do your research thoroughly and use written '**evidence**' to back up your position

7. Often in negotiations you **feel weak** – and of course you are only too aware of your own weaknesses: maybe you have fallen in love with a particular product or service, or you are in a hurry, or you can't find any other supplier, or you need the work, or you don't have the time for a long negotiation.

Whatever your weaknesses, you'll be **thinking about them** before you begin negotiating, and this **weakens you** and make you more likely to not open bravely enough, concede and settle for a poor deal.

Of course the other person probably has weaknesses too, but you can't **see** their weaknesses, so you don't even think about the possibility of them having any.

Try to put your weaknesses out of your mind by thinking about theirs instead. Use "**I bet they....**" as a positive affirmation to yourself whilst probing for these weaknesses - just thinking in your head that they may have weaknesses is enough to make you feel much better about negotiating.

- I bet this car dealer hasn't sold many cars this week and really needs the business.
- I bet they know that a replacement model is coming out soon and they need to shift the stock
- I bet that supplier is making a huge profit on this contract and is desperate to keep it.
- I bet that customer can't find anyone else who can do what we can

Now you **feel good!**

8. Remember negotiation for us is a game, and not life and death, identify real-life situations that offer an opportunity to **practice** your negotiation skills, particularly when the outcome is not important to you. Try negotiating to buy something you don't really want – see what a difference it makes when you take emotion out of the process. The most important thing is to practice negotiation at every opportunity; this will boost confidence and give a greater feeling of control.

Most people don't negotiate – so just **DO IT** – you will be amazed at what you can achieve if you try!

Want to know more?

For more information on our Effective Negotiation training programme, or any of our other purchasing training courses, simply contact the Buying Support Agency by telephone (0845 555 3344) or by email (info@buyingsupport.co.uk).