

Negotiation Skills

FOR
DUMMIES[®]

**in a
day**

Michael C. Donaldson

Negotiation Skills
In A Day
FOR
DUMMIES®

by Michael C. Donaldson



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Introduction

You negotiate all day long, in every situation you encounter — with your boss or your employees, with your vendors or your clients, with your spouse or your kids, and even with the plumber who comes to your house to fix the leaky faucet. All of these relationships and interactions require negotiation skills. In other words, a *negotiation* is any communication in which you're attempting to achieve the approval, acquiescence, or action of someone else. The information in *Negotiation Skills In A Day For Dummies* applies just as much to the once-in-a-lifetime, million-dollar deals you may experience as the one-minute negotiations of regular life.

What You Can Do In A Day

No matter how you perceive your negotiation skills today, they can be stronger tomorrow. And your progress can start with this book. *Negotiation Skills In A Day For Dummies* is a quick shot of negotiation basics that you can pick up in about a day's time. By understanding the six essential skills needed for negotiating, you can become a strong and successful negotiator with clarity, confidence, and a willingness to walk away from a bad deal.

If you think of negotiating as a sport, you can use this book as a manual to improve your game. I've even structured the content in such a way that you can jump in and out of the text as necessary. For example, if you're a good listener but need help setting limits and sticking to them, read Chapter 2. If you've been shocked by a final response to a long negotiation, find tips for reading body language and other nonverbal cues in Chapter 4. If closing is your weak spot, check out Chapter 6. Or, of course, just read this book straight through; it's doable in a day! But expect to spend years — possibly your entire career — honing these negotiating skills.

Foolish Assumptions

This book can help if any of the following descriptions apply to you:

- ✔ You're beginning a new career and need to brush up your negotiation skills.
- ✔ You're seeking a new job or a raise.
- ✔ You're a seasoned negotiator who feels a bit off your A game and you're striving to sharpen your skills.
- ✔ You're a teacher searching for a way to motivate students to follow your directions.
- ✔ You're a team player who wants a specific win in an upcoming negotiation.

Icons Used in This Book

The content of this book includes a few icons. These little pictures guide you to certain types of information.



This icon denotes honest tricks of the trade, shortcuts, and loopholes. Look for these icons to save time, money, and face in your next negotiation.



This icon marks the dirty tricks that sharks may try to play on you. Don't fall prey to these pitfalls — and avoid using these nasty tactics yourself.



Just looking for the basics? This icon emphasizes information that you should absolutely, positively keep in mind at all times if you want to be a successful negotiator.



Understanding the theory is great, but you can't develop negotiation skills without putting them into practice. Take a break from the text for a quick exercise designed to help you get a better grasp of negotiating.



When you see this icon, head to this book's companion website at www.dummies.com/inaday/negotiationskills. Online, you can find more-detailed information about the topics I touch on in this book.

Chapter 1

Knowing What It Takes to Negotiate

In This Chapter

- ▶ Applying the six basic skills of negotiating
 - ▶ Preparing for a negotiation with research
 - ▶ Beginning a negotiation
-

Negotiating is a way to get what you want out of life; it's not a skill to put into play just when you need to make a deal. Whether you realize it or not, you negotiate all day long — with your co-workers, your neighbors, your spouse, your kids. Any time you ask someone to say yes or to do something for you, you're negotiating.

If you're attempting to resolve a dispute, agree on a course of action, or bargain for advantage, you're in a negotiation, and the goal is to reach an agreement that works for all the engaged parties. Even if your dreams or the numbers on your paycheck seem to hinge on forces beyond your control, you can create a master plan for your life and achieve your goals — one negotiation at a time.

In this chapter I summarize the six skills of negotiating and then focus on the first and possibly most vital of them all: preparation. I point out why preparation is important to successful negotiations and offer tips for how to prepare for a negotiation.

Six Steps of Negotiating

No matter how large or small, how important or minor, how near or far, a negotiation involves six basic steps. You can refine your delivery skills over time and fortify them with additional techniques and strategies, but your ability to execute these six steps is essential:

- 1. Prepare.**
- 2. Set limits and goals.**
- 3. Be clear.**
- 4. Listen.**
- 5. Pause.**
- 6. Close the deal.**

In fact, this basic six-step process applies to many areas of life — not just business. Try using this formula for everyday interactions. It can help you reach better agreements with business partners and family.

Getting prepared

In negotiation, like many pivotal areas of business, preparation is the bedrock of success. You can't be overprepared for a negotiation. Whether you're negotiating for a new job or trying to win a major client, you must educate yourself about the situation and decide what you want to achieve before you sit down at the negotiating table. Heck, just figuring out what you actually want takes some work.

Establishing goals and limits

The only way to achieve anything is to set goals. So it's no surprise that study after study shows that individuals who set challenging, specific goals enjoy more satisfying outcomes than those who don't. But it's not always as easy as it may sound. Setting goals that are well-defined, realistic, and relevant requires careful preparation and disciplined focus. Check out Chapter 2 for the how-to on setting attainable goals.

Then, when you can practically taste the reality of your goals, it's time to set limits to determine the point at which you're willing to walk away from a negotiation and close the deal elsewhere. When job searching, for example, a limit to the goal of attaining a specific position is the lowest salary you'll accept in exchange for taking on the responsibilities of the role.

Communicating clearly

Being clear about your message, your intentions, and your goals — in what you say and what you do — is critical to negotiating effectively. In other words, your actions, tone of voice, body language, word choices, and other delivery mechanisms must all send the same message. Making this happen is often far more difficult than it sounds.



Try these tips for communicating clearly:

- ✓ Consider your words before you speak.
- ✓ Cut the lingo and industry mumbo-jumbo.
- ✓ Be consistent. Stick to your plan.
- ✓ Keep your commitments. Do what you say you'll do.

When you become more skilled at being clear, you can help the negotiation processes stay productive by tactfully pulling tangents back to the point of conversation and subtly curbing the impact of interruptions. Find more on how to improve your clarity in Chapter 3.

Listening well

The vast majority of people think they're good listeners, but the reality doesn't typically match up. So instead of gratifying yourself with potentially undeserved reassurance, find out the true state of your listening skills from objective evidence or from people who are willing to be brutally honest with you.

Learning to listen is one of the most important skills for negotiation. It enables you to gather insight about a situation that you can possibly leverage for your own benefit.



To ensure that nothing stands between you and good listening, try these tips:

- ✔ Always expect to learn *something* of value from other speakers.
- ✔ Count to three before responding to a question to allow the question (or comment) to sink in.
- ✔ Be sure that you're fully awake and present throughout a meeting.
- ✔ Ask questions.
- ✔ Never interrupt, especially when someone is trying to answer a question you asked.
- ✔ Take notes.

If you experience communication problems during a negotiation, it's probably because you or the other party hasn't been listening. Discover more ways to improve your listening skills in Chapter 4.

Pausing as needed

Everyone has a *pause button* — a little whatnot inside your head that helps you maintain emotional distance when a situation becomes charged. The pause button can take many forms; it can be a short break during a heated conversation or just a moment of silence when you don't agree with someone's argument. Some people use their pause button more than others; some don't seem to know they even have one.



Your pause button is particularly helpful in a negotiation. Using it can prevent you from saying things you may later regret and offer you a moment of reflection. Conversely, not using your pause button may put you into a deal too quickly because you failed to spend enough time thinking about the situation and became caught up in an emotional reaction. For help with using your pause button, flip to Chapter 5.

Closing the deal

Closing is the hoped-for culmination of the negotiation process. It's the point where everything comes together, when

two parties mutually agree on the terms of the deal. But closing a deal isn't always a smooth process.

Even when everyone involved in a negotiation is more or less in agreement on all the important issues, sometimes deals just don't close. Perhaps you're dealing with someone who fears making a bad deal — no matter how good the situation is and how hard he's worked to win certain benefits. Maybe that person is you, and you're wondering, "How soon is too soon to close?" The answer: It's never too soon to close. You want to start closing as quickly and efficiently as possible — under conditions that benefit you and with terms that don't exceed your limits. Find out when and how to close a good deal in Chapter 6.

Taking the First Step: Research

Before and above all else, successful negotiation requires preparation, and being prepared requires research in three specific areas:

- ✓ Yourself
- ✓ Your counterpart
- ✓ The market



From your standpoint, *you* are the most important person in the room, so pay special attention to determine what you want and need from a negotiation. The importance of the other person to your ideal outcome fluctuates as the negotiation process unfolds. And succeeding in any negotiation requires you to stay current in the affairs of the market or the environment to which your negotiation relates.

Discovering thyself

Knowing yourself and what you want out of life takes some serious reflection and planning. Becoming aware of your strengths and weaknesses and having a clear sense of what you want to pursue as part of a negotiation process significantly enhances your confidence, your performance, and your chances for success.



To get started with the process of researching your own wants and needs for a negotiation, think about your life plan. In a perfect world, what are you doing in three years? Long-range thinking about your life provides a context for every negotiation you have. Take 5 minutes to write down your vision of your future. Later, develop a plan that includes specific steps to turn your vision into reality. Your negotiations are likely to go astray if you don't prepare your personal, long-range game plan *before* entering the negotiating room.

Also be sure to prepare yourself physically and mentally for the specific negotiating situation. For example, if you're not a morning person, don't schedule a meeting at 7:30 a.m. unless it's unavoidable. In that case, make sure you're a morning person that day.

Learning about the other person

Before entering the negotiation room, find out who will be sitting on the other side of the negotiating table, and research that person. You can search online by name or ask colleagues or acquaintances what they know about the person with whom you'll be negotiating.

Having some background on the individual offers some social benefits and makes it easier to build rapport before getting down to the nitty-gritty. Preparing for the other person also shows a certain level of respect.

Gathering information on the other person ahead of time is especially important in a job interview. If you and your interviewer share a similar experience, talking about it builds rapport. Knowing a few facts about her shows that you cared enough to do your research. Score!



Beyond the social perks, knowledge about the person with whom you're negotiating lets you know what you're up against. Is this person reasonable? Is she a bottom-line fundamentalist, or is quality the pivotal aspect of her choices? Knowing what the other person values can guide your pitch and help you emphasize the most attractive aspects of your ideas.

Also be sure to determine the person's level of authority. If the individual needs to get approval from folks several rungs up the organizational ladder, you know you'd better provide

some written materials. Otherwise, your proposal probably won't be conveyed accurately.

Staying current on the marketplace

Be a constant student of the industry, business, or environment in which you work. Your strength as a negotiator depends on your knowledge of current situations and trends. You need to know what you're talking about. It's as simple as that. I mean, who can trust an art dealer who doesn't know Picasso from Pollock or a mechanic who can't find the radiator?

The more you know about the industry — or the business environment, the company, the product, and so on — the better off you are for negotiating in that world. Know the players, know the news, study the terminology. Do whatever it takes to be the smartest one in the room.



Don't be afraid to ask questions, even in the midst of a negotiation. Asking questions shows the other person that you're interested and willing to learn.

Deciding on Location

Whether you're negotiating a real estate transaction, asking for a raise, or angling for a big account, a good negotiating space is more than a huge conference table with marble top. In fact, the marble top can be a bit formal for most negotiations. For some occasions, a sofa and two chairs surrounding a large, low coffee table is much more appropriate.



If you get a say in where your negotiation will be held, start by ensuring that the basics are covered: Meet in a room that's large enough to accommodate all parties comfortably and that's near restrooms and a few areas that can be used for break-out sessions.

The negotiating environment is a critical component of successful outcomes. Some people spend too little time considering the best location to meet with the other party, or they rely on rules that make arranging a time and place difficult. For example, when both sides consider it necessary to negotiate in their own office — heeding the oft-stated rule “Always negotiate

on your home turf” — just setting up the meeting can get contentious.

It’s true that meeting in your own office can provide you an advantage. On your *home turf*, your operational base, you have all your information handy. You may also have a support staff, should you need their expertise or assistance, and you’re probably most comfortable in your home environment.

But sometimes meeting in the other party’s office is actually better for you. Being in the other person’s space can give you some helpful insight about her. For instance, a quick glance around the office can usually tell you whether she’s neat or messy, and based on the proximity of her office to the more-powerful people in the organization, you can tell where she stands in the pecking order of the business. You can never know too much about the person you’re facing in a negotiation, so welcome opportunities to visit her home turf.

What matters more to a negotiation than whose turf you’re on is that all parties are in a place, physically and mentally, where you can concentrate on and listen to each other. You can negotiate only if you communicate.



If you must travel for a negotiation, consider arriving the day before the meeting. Even if you think you’re fine to take a red-eye and begin negotiating over breakfast at 7:30 a.m., you may be better off if you have some time to go to your hotel, freshen up, and gather your thoughts for a 10:00 a.m. meeting instead. If you must travel internationally to negotiate, insist on one and preferably two days to get over jet lag.

Getting Started

To negotiate at your best, you must be well rested and ready to do business, so make the necessary arrangements to ensure that you are. But sometimes, like when you’re tossing and turning at 2:30 in the morning and your mind is persistently cycling through negotiation scenarios, getting a good night’s sleep feels impossible.

Nevertheless, no matter how sleep-deprived, harried, or down-in-the-dumps you may be at the time, always enter the negotiating room with confidence and resolve. From the opening bell, validate your authority and establish as much control

as you can muster. The first moments of your interaction sets a tone for the entire meeting, even if you're not officially in charge of the meeting — even if you're the most junior presence in the room. Walking into the room as a legitimate negotiator can vault you to MVP status quickly.

Presenting yourself

When you put your hand on the door of the negotiating room or begin dialing the number of your negotiation counterpart, focus on your purpose by remembering your goals and what you have to offer. Leave your other projects and worries outside and access the information you gathered through careful research to prepare for this negotiation.



Keep your right hand free to shake hands with whoever is in the room. If the meeting requires you to wear one of those awful name badges, write your name in large letters and place the badge high on your right side so people can easily read it.

Never skip the pleasantries. Greeting others cordially is an important first step in establishing a productive working relationship. If a previous meeting ended on a sour note, be sure to express warmth and goodwill to clear that away and establish new footing. Otherwise, ill-will is left to hover over the negotiating table, and bad feelings can easily creep into the proceedings and ignite the controversy all over again.

In some situations, you can benefit by taking to heart the age-old advice to *mirror the environment*. From the way you dress to even the way you speak, sinking into the surroundings of your negotiation space can be smart. For example, if you're meeting a group that always wears jeans and polo shirts to work, reconsider your three-piece power suit. Likewise, if you're negotiating a deal with New Yorkers, pick up the pace of your speech a bit. Above all, do what you can to respectfully absorb your surroundings.

Opening discussion

If you're in charge of a negotiation meeting, then it's your job to establish the parameters, ensure that everyone understands the purpose of the meeting and has an opportunity to contribute, and facilitate the closing of a successful deal.

Here's a process you can use to begin a meeting:

- ✔ **Make sure that all participants are present and ready to listen.** If someone is missing, you need to decide whether you can start the meeting without her. Trust your instincts on this and consider the culture in which you're operating. If you have a roomful of folks whose time is especially valuable (whose isn't?), proceed and educate the laggard later. But if the missing person is the boss, well . . . again, the culture is important. Some bosses would be annoyed that you held the meeting for them.
- ✔ **State the meeting's purpose.** Outline the important points that the meeting will address. Knowing the plan helps people focus and stay on task. If there's a written agenda, be sure everyone has a copy.
- ✔ **Ask participants to agree on the agenda.** Securing agreement at this point is an important step on the road to closing a deal. How the other party feels about the agenda can help you gauge how smooth (or not) the meeting is likely to be. Establish a spirit of collaboration by making reasonable adjustments that a participant requests.
- ✔ **Acknowledge known biases.** As part of your process to set the stage for a productive meeting, articulate the positions and challenges to be addressed at the meeting, and listen for objections and corrections to your statements. Identifying biases objectively and early in the process makes it easier to resolve them collaboratively.
- ✔ **Stick to the agenda.** If you deviate from your agenda at the beginning of the meeting, you'll have a tough time gaining control later on.

Now breathe. You've opened the meeting, presented your agenda, and facilitated the first step of the negotiation process.

Chapter 2

Setting Goals and Enforcing Limits

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In This Chapter

- ▶ Setting goals and limits for yourself
 - ▶ Holding yourself to your limits
-

Setting limits and then sticking to them is one of the most important and most difficult lessons you can learn about negotiating effectively. Many people struggle with defining clear goals for themselves, but enforcing limits is a nearly universal problem. Honing your skills related to goals and limits can help you to take charge of your negotiation processes.

Setting Good Goals

The goal-setting process for most people and in most situations is quick and nearly invisible. This is the case for impulse purchases in a retail scenario. You see something you want, you quickly set a goal to acquire it, you grab it, and it's yours. However, when it comes to significant or long-term business and personal situations, setting goals is a more thoughtful and labor-intensive process.

Keep in mind that goals aren't the same as wishes or fantasies or even super-intense daydreams. A *goal* is an object or end result that you actively strive to attain. For example, becoming a famous movie star may be your lifelong dream, but unless you've hired an acting coach, regularly audition for movie roles, and have a modicum of performance talent, your dream doesn't count as a goal.

Similarly, deciding to launch the most successful lawn care business ever is a hope, not a goal. But deciding to start a lawn care company that offers the most drought-resilient grass seeds is a goal; it's an ambitious goal but a goal nonetheless.

Read on for some guidelines on setting realistic, meaningful goals that your team agrees on.

Thinking about what you want

Start your goal-setting process by thinking about what you want to achieve. Use these questions to help you brainstorm possible career goals:

- ✔ What do I ultimately want to do for a living?
- ✔ What knowledge, training, or skills do I need to reach the level in my career that enables me to work as I envision?
- ✔ How do I want my team to perceive me?
- ✔ How much money do I want to earn?
- ✔ What creative achievements do I want to realize?



Consider a negotiation in which you expect to participate in the near future. Ask yourself, “What do I want out of this negotiation?” And be sure to answer with honesty — no matter how silly or unrealistic your genuine answer may sound at first. Talk it out. Write it down. This process can help you visualize, identify, and articulate your goals. Then, with a handful of possibilities to pursue, try to put your goals in order of importance to your overall interests. Refine your list until you're certain that the goals reflect your genuine aspirations.

Hearing from the team

If you represent clients in negotiations or negotiate on behalf of your company, setting goals is a team sport. In other words, an important part of the negotiation process is to work with the people on your team to identify goals that are realistic and meaningful.

Unfortunately, some people may not verbalize their opinions, but you need to make sure they're on board, even if it's in a passive way. Collaborating to set the goals — and agreeing the stated goals are the right ones for the group to pursue — makes it more likely that the team will take ownership of the negotiation and outcomes.



Don't succumb to the temptation to exclude individuals you'd rather avoid — no matter how indecisive or cantankerous. Doing so just makes it likely that those people will be stumbling blocks later, when you're close to a decision deadline. Make sure everyone has an opportunity to weigh in when setting goals.

Listen to everyone's input and then filter the list of demands to a small set of compatible and focused goals. Allowing people with specific and divergent agendas to influence your negotiation's structure can threaten your chances of getting what you want and closing the deal.

That said, asking for a few extras probably won't hurt, but be careful that you don't sabotage the primary goals of the negotiation with miscellaneous add-ons.

Striving for attainable goals

Strive for goals that are slightly out of your grasp but not so far out that you can't achieve them. Goals that aren't grounded in the real world of possibilities are mere daydreams.

Say you're asking \$525,000 for your house, and no house in your neighborhood has ever sold for that amount. In this situation, you better have some good reasons for setting your goal so high. Maybe you're in a rising real estate market. Or perhaps your house is larger or noticeably nicer than any of the others in the neighborhood. Is a state-of-the-art shopping center under construction nearby, making your location more desirable than ever before? Any of these factors may make it possible for you to receive a record-breaking price for your home. But without special factors like these, setting such a high goal is a waste of time.

Likewise, you want to be sure that the \$525,000 goal is meaningful. If every house on the block sells for \$525,000, then that price isn't much of a goal — unless your house is noticeably more run-down than the others. (But, hello . . . how about doing some landscaping or painting the place before sticking in a For Sale sign?)

Making your goals specific and measurable



Use specific terms when setting your goals so it's easy to tell whether you attain them. Well-stated goals aren't abstract or ambiguous.

In a home-selling scenario, a vague statement such as “I want as much as I can get” isn't a goal. It's probably a true statement, but it doesn't do much to help you evaluate your outcome. Use an exact amount for the price portion of this kind of negotiation. If you can't be that specific, you'd better prepare some more.



Qualify your goals before you begin negotiations, not after you close a deal. Sometimes people say, “Dang, we didn't set our goal high enough.” If you hear that thought in your head, you know that your goal-setting process was flawed.

Prioritizing goals

You'll rarely achieve all your goals in a negotiation, so figure out which ones are the most important to you ahead of time. Work with your team to rank your goals. Be sure that, deal by deal, the things you're negotiating for support your ultimate purpose.

Choosing the right number of goals

The number of specific goals you should set depends on the type of negotiation you're undertaking. Regardless, be realistic about how many goals you expect to achieve. Setting too few goals may signal weakness or indifference during a negotiation. Putting too much on the table at one time tends to

overwhelm and confuse negotiations, which hurts productivity and can make you seem arrogant or pushy.

For example, if your priority is to get a raise, don't demand a car allowance, overtime pay, and an assistant all in the same session. If you do, expect your boss's eyes to glaze over and to find yourself walking away with little to no change in your salary.



Avoid overloading a single negotiation with hopes and dreams for all time; bring only the few most important or practical goals to the negotiation table.

Getting agreement on what's most important

Ideally, you want to achieve 100 percent consensus on the priority of specific goals in relation to other goals. Yet total agreement can be difficult because individuals may hold on to their personal agendas. The process can become contentious, which is why some teams avoid prioritizing their goals. But overlooking this critical step in the name of keeping the peace only defers the argument to a later, and likely worse, point in time, such as

- ✓ When the team needs to show solidarity to make a decision or send a message to the opposing side
- ✓ When pressed for time to meet a deadline and no resources exist to handle a side issue
- ✓ When a distraction threatens the survival of the negotiation process.



Get the team together early in the process of setting goals to prioritize potential outcomes. If disagreement persists, let the majority prevail, being diligent to document the minority's view accurately so you can revisit it later in the process if necessary.

Setting Limits to Live By

Your limits define the absolute most you're willing to give up to get what you want. Setting limits means establishing the point at which you're willing to walk away from the negotiation and pursue an alternative course.

Here are some examples of limits:

- ✓ The highest price you'll pay for a product
- ✓ The lowest salary you'll accept for a prospective job
- ✓ The maximum number of days you're willing to travel for work



Set your limits before you enter a negotiation, and believe in your limits. Having boundaries in place at the beginning of discussions saves an enormous amount of time and deliberation during the actual negotiation process. Knowing up front what you can and can't accept helps you be more decisive during discussions. If the negotiation doesn't close before your goals are met within your limits, then there's no deal.

In business negotiations, setting limits may not seem necessary because the marketplace often defines the possible boundaries. People generally have an idea about the price of goods or services; they know what others are paying. Buyers assume that fees won't go beyond an acceptable range or what they consider to be a fair and reasonable value for the product or service under negotiation. But even business negotiations can go off track, especially in times of economic downturn or if other business conditions change suddenly.



Setting limits is critical. People who consistently make bad deals usually don't set limits before beginning negotiation, so they don't know when to walk away. Knowing when you're prepared to walk away gives you the strength and confidence to be firm, even if the other party isn't aware of your limits or your ability to enforce them.

The following sections contain three steps that master negotiators throughout the world use to set limits.

Remembering the other fish in the sea

The mindset of a world-class negotiator centers on prosperity. If you believe that the world is generally a stingy place and perceive widespread lack and limitation, you go into negotiations at a significant disadvantage. If you believe that you

have to make this deal work because another opportunity to meet your goals won't come your way, then you're likely to buckle and close a bad deal.



Poor negotiators tend to attach themselves to the notion that they must close every deal with a purchase or sale. Good negotiators sometimes walk away. Walking away from a bad deal is just as important — in some cases, far more important — than closing a good deal.

You often have two incentives to walk away from a bad deal:

- ✓ Avoiding the headaches, financial stress, and other difficulties associated with a bad deal
- ✓ Remaining available for a better-fit situation

The truth is that another opportunity — a better opportunity — is always out there. It just may take some time to find it.

Considering your options

Before you enter the negotiation process, write down all the scenarios available to you for meeting your primary goals. Include all options on your list, even if you think some are impractical. You can edit them later.

If you're interviewing for a job, for instance, your goal may be to secure a specific position at a certain company in a certain city at a specific salary. Your alternatives include accepting a lower wage, accepting a different job within the company, continuing your search at a different company or in a different city, changing professions, or starting your own business. If you really can't think of any alternatives, you aren't ready to start negotiating.

After you develop your list, choose a few favorite options and carefully consider each course of action. Play out one or two scenarios in your mind until you're sure they're viable alternatives. This is your backup plan.

Knowing what you'll do if the deal doesn't close, you can negotiate confidently and begin pursuing an alternative option when negotiations end.



As part of your preparation to negotiate, construct a similar list of options for the other party. The more you know about the choices available to the other side, the more competently you can perform in negotiations.

Collaborating in setting limits

As with goal setting, the process to establish practical limits for a group should include all key parties. Gather input from those who will be affected by the outcome of the negotiation to ensure that the limit is meaningful and not an arbitrary matter to contend. The team needs to agree on the limits.

Don't be afraid to make adjustments if someone on your team makes a compelling argument to change the limit before the negotiation starts, but don't shift your limits during the process unless you acquire new information that changes the scenario. You don't have to close the deal if the other side isn't willing to settle within your acceptable range.

Enforcing Your Limits

Limits aren't much help to your negotiating strategy if you cave in every time you set them. In personal relationships, people often express limits only when they're crossed. When raising children, parents often express limits as rules that must be followed (or there will be consequences).

Here are some tips for enforcing your limits:

- ✓ **Write down your limits.** Committing limits to paper tends to make them more real — and easier to remember and enforce. Write down your walk-away point to ensure you remember it in the excitement of a negotiation. It's easy to get caught up and agree to a deal that doesn't necessarily meet your goals.
- ✓ **Establish a resistance point.** Your *resistance point* is close to your limit but leaves enough room to close the deal without abandoning your limit. At the resistance point, communicate that you're near the point of walking

away from the negotiation. The other party deserves a clear warning from you before you walk away.

How far you place your resistance point from your limit is a matter of your personality and comfort zone, but you must resist closing a deal that comes too close to your limits.



To practice setting and enforcing your limits, find something you like on Craigslist that you're willing to buy (in hopes the negotiation will end in your favor!) but that you're also willing to walk away from if you and the seller can't come to terms. Establish your goal: What price do you want to offer to buy the item? Then set your limit: What's the maximum price you're willing to spend before walking away from the deal? Contact the seller with your offer and begin negotiating. If the seller responds and refuses to negotiate or to settle within your limits, then reply with a thank you and end the process. Closing even this non-negotiation in a formal way is important. You made an offer and need to make sure that the seller knows that the opportunity to close the deal is passing.

Chapter 3

Being Crystal Clear: Telling It Like It Is

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In This Chapter

- ▶ Organizing your thoughts and being clear during a negotiation
 - ▶ Recognizing obstacles to coherent communication
 - ▶ Encouraging clarity in others
 - ▶ Avoiding the fallout of not being clear
-

In any communication, there's no such thing as being *too* clear. You can be too blunt, too fast, and too slow. But you can never be too clear. In fact, raw negotiation power flows from an ability to be clear and accurate at every step of the process.

Unfortunately, no one is born knowing how to express ideas clearly. But the ability to communicate clearly is one of the six basic negotiating skills, which I list in Chapter 1. This chapter can help you organize your thoughts, stick to the point, and avoid ambiguity.

With practice, you can see how communication skills impact a negotiation and can tell when your negotiation is faltering because of weak communication.

Thinking and Expressing Ideas Clearly

The beauty of a clear phrase is how accurately it hits the bull's-eye, how precisely it conveys your meaning. For best

results, take your time. If something is worth saying, it's worth saying clearly. The following sections offer guidelines for improving clarity.

Recalling your goals

When you know exactly what you want to say, communicating is much easier. At some point in a past conversation, you may have had the urge to say, "So what's your point?" — usually with an exasperated tone. If you actually did utter those words, then the person who was talking probably looked surprised and fumbled for a good, one-sentence answer. And it was just as you'd thought, wasn't it? He didn't have a point! And when the *speaker* doesn't know the point, the listener is definitely lost.



Whenever you're communicating, know your point and be keenly aware of the overall purpose or goal you're working toward. When you're trying to get someone else to provide some action, approval, or acquiescence — that is, if you're in a negotiation — keep your short- and long-range goals in mind (see Chapter 2 for tips on setting goals).

Considering your audience

Being clear simply means that when you speak, write, or otherwise communicate, your listener understands your intended message. That sounds simple enough, so why aren't more people successful at it? The problem is that many people communicate from this point of view: What do *I* want to tell my listener? How am *I* going to appear? What are they going to think of *me*? Not effective.

First, you have to be clear with yourself about what information you're trying to convey. Then you must know who the listener is, what might be filtering out your message, and how to get through those filters so your listener understands you.

For starters, assess what your listener needs and then find out how experienced he is with the subject matter. When you know that, you can figure out how much of your presentation needs to focus on general education — or bringing the other person up to speed.



As you prepare for your next negotiation, consider your message from the listener's point of view. Ask yourself these questions and write down your answers:

- ✔ What does my listener need to know?
- ✔ What information does my listener need to make a decision?
- ✔ What does my listener care about most in this situation?

Then, when you're engaged in the negotiation, ask yourself these questions again to make sure you're communicating your intended message clearly.

Organizing your thoughts

You can organize your thoughts in many ways, but the important thing is to do it. Here are my favorite three ways to organize a presentation:

- ✔ **The PREP approach:** PREP helps you state, explain, and support your points. The key words for the PREP technique are *point, reason, example, point*. Here's an example:

My point is: Exercise is energizing.

The reason is: It gets your heart rate up.

My example is: After at least 20 to 30 minutes of increased heart rate, you're more energized when you come out of the gym than when you went in.

So my point is: Exercise is energizing.

The PREP approach works because it's so logical. You can use it with any presentation. It works as well for an informal 5-minute chat as for a 30-minute formal speech.

- ✔ **Lists or outlines:** An easy way to organize your thoughts is to list and number your points. Here's an example:

I recommend that you hire the consultant to create a plan that will

- 1) Increase sales
- 2) Improve morale
- 3) Generate productivity



Don't assume that numbering brings order to something that otherwise lacks coherence or good sense. Group similar points and put them in a useful order — the one that best achieves your objectives or the goals of your counterpart.

✔ **Preview, explain, summarize:** Here's the classic standby approach that presenters and writers everywhere use:

1. Tell 'em what you're gonna tell 'em.
2. Tell 'em.
3. Tell 'em what you told 'em.

I use this one a lot because it drives a point home.

Cutting the mumbo-jumbo

Some concepts are, by nature, difficult to grasp. Do everything you can to make listening and understanding easy and enjoyable.



Try these suggestions:

- ✔ Oversimplify technical points at first. You can explain them more fully later in the conversation, after you have your listeners hooked.
- ✔ Avoid references that may leave your listener wondering what the heck you're taking about. Define jargon and spell out acronyms.
- ✔ In written materials, use footnotes and appendixes. They add information without interrupting the main discussion.
- ✔ If you have many numbers to present, try putting them in bar graphs, pie charts, line graphs — anything but reams of numbers. Keep the lists of numbers for reference.

Checking for understanding

Asking, “Did I make myself clear?” helps both parties proceed more productively. A specific question may remind the other person to listen instead of lazily replying “yes.”



If a point is critical, you may ask the other party to repeat the information back to you just to be sure that you're communicating effectively. Assure your counterpart that repeating vital information doesn't constitute an agreement — you're just checking for understanding.

Avoiding Barriers to Clarity

The most cumbersome barriers to clarity are your own fears and lack of concentration. Perhaps you fear that if you make your point clear, then an adverse reaction will follow — some vague, unspoken, definitely unwanted reaction. In this section, I describe some common fears and suggest how you can make them less of a roadblock.

Fear of rejection

Everyone has a built-in fear of rejection. The natural inclination is to avoid rejection by being ambiguous, blurring lines, and failing to state your case accurately. But doing so just leaves you open to the rejection you fear plus the likely but delayed realization that clarity would've helped you attain your goal. How often do you hear “Why didn't you say so in the first place?”



If an accurate statement of intent is likely to cause your deal to fall apart, being clear is even more important. When you close a deal without being clear, the parties have different understandings and expectations. You're finalizing a bad deal. In fact, you're closing a deal that can't work in the real world.

Fear of hurting feelings

Often, people avoid hurting the feelings of others not out of compassion but out of self-protection. Everyone wants to be liked; no one wants to be shunned.



Never sacrifice clarity to avoid confrontation. If you have bad news to deliver, do so with dignity and respect for the person's feelings. Even if you feel, in every fiber of your being, that the person is overreacting to your news, don't say so.

Let the feelings run their course. But don't flinch or amend your statement. Just wait. This, too, shall pass. Being clear in such situations takes strength and confidence. You've got a little to spare, right?

General distractions

Aside from fear, here are some other barriers to clarity:

- ✔ **Fatigue:** You may be just plain tired and unable to focus. Sometimes a brisk walk outdoors revives you. Good nutrition and adequate rest are requirements for a master negotiator. In a pinch, an occasional dose of caffeine works, too.
- ✔ **Laziness:** Perhaps you're vague because you haven't prepared well enough and you don't want to share unsubstantiated facts. If this situation strikes a familiar chord, make sure you do more homework before your next session.
- ✔ **Interruptions:** Your listener may be doodling or not making eye contact. The room temperature may be extreme. Noise levels may be too high for you to be heard clearly. Be assertive enough to request the appropriate changes so you can communicate clearly.

Especially if the conversation or negotiation is important to you and/or has long-term consequences, make sure you're well rested, prepared, and in an environment where you can be heard when discussing terms.

Insisting on Clarity from Others

When the other party isn't being clear during a negotiation, your job is to steer that person toward concise communication. In this section, I describe techniques for coaxing information from various personality types you may encounter and offer specific responses for common avoidance tactics.

Helping poor communicators make sense

Nobody truly wants to be a bad communicator — except maybe sinister and cagey pranksters. Most people are genuinely insulted if someone tells them they're difficult to understand. But three personality types are notoriously unclear and difficult to follow. Here's how to help them get their message across:

- ✔ **Ramblers:** Some people are unclear simply because they ramble; they go off on any tangent they can imagine and verbalize their stream-of-consciousness thinking. Reining in this kind of person is mostly a matter of focusing their attention:
 - **Listen up to a point.** You're listening especially for a good place to break into their discourse so you can bring them back to the topic.
 - **Be assertive when you interrupt.** Don't be impolite, but be firm.
 - **Validate.** Acknowledge what the person just said and then return to the main purpose of the discussion.
- ✔ **Interrupters:** Some people even interrupt themselves! They lose their train of thought when speaking and tend to jump from point to point — much like a rambler. Try these techniques the next time you're negotiating with an interrupter:
 - **Take careful notes when an interrupter is talking.** But don't write down the ideas in the order they're presented. Instead, write topic headings, leave a lot of space, and add information as needed when the speaker switches topics.
 - **Concentrate.** Staying focused when negotiating with an interrupter can be difficult.
 - **Provide cues.** Remind the speaker of the most recent statement before the interruption if he seems to get lost in the discussion

- **Remain vigilant.** Listen to the other person with respect but continue pressing your information needs until they're fulfilled. You may need to schedule a follow-up meeting to get all your questions answered.

✓ **Busy bees:** People in this group consider themselves to be far too important to take the time to be focused or clear; after all, they're in demand! So they save minutes with clipped or vague answers, but others may spend hours trying to figure out what they want and need. To manage this personality type, try the following tactics:

- Schedule meetings at the beginning of the day to avoid distractions.
- Guard against interruptions by scheduling meetings in a conference room or other place that's not the busy bee's office.
- Be efficient in meetings. Have a written agenda — even for a two-person meeting — to show how much you value the person's time.
- Take notes.
- Press appropriately for the details you need.

Handling tactical ambiguity

Sometimes, no matter how much you work on being clear, the other party insists on responding to questions and providing information that's essentially meaningless. A whole book could explore the range of techniques people use to avoid providing accurate answers and committing themselves to a position.

Remain alert to these substitutes for honest information and demand the real McCoy. Do not allow these ploys.

The dodge

Politicians, as a group, seem specially trained to provide anything but an actual answer to a question. It's almost as though there's some secret college for people who intend to run for elected office where they teach the ins and outs of dodging questions.

Don't accept dodge responses when you ask a question. Recognize this tactic for what it is and repeat the question, insisting on a real answer or an exact time when you can expect an answer.



When people say that they have to look into something and get back to you, the only thing you can really do (without making a rather obvious and frontal assault on their honesty) is wait. However, you *can* insist on receiving a specific date and time for receiving the answer.

If the question is important enough for the other side to delay (or not answer at all), the issue is important enough for you to press. Ask, "When can I expect an answer from you?" and document the reply in your notes.

The assertion replacement

A person who doesn't want to answer your question may try instead to emphatically state something close to what you're looking for. This technique is common when you're asking for a commitment that the other party doesn't want to make.

Sometimes, an assertion about the past is substituted for an answer about the future. If, for example, you ask whether a company plans to spend \$50,000 on advertising in the next year, you may receive an emphatic statement that the company has spent \$50,000 each year for the past four years, that sales are rising, and that any company would be a fool to cut back now.

Don't settle for an assertion as a response to your question; insist on an answer. Say something like "Does that mean that your company has made a final commitment to spend \$50,000 for advertising this year?"

Because assertions are sometimes delivered with a great deal of energy or passion, you may feel awkward insisting on an answer to your question. But failing to persist with the inquiry can seriously damage your case.

Pronoun-o-rama

Beware the deadly pronoun — the *we*, *he*, *she*, and *they* — especially the infamous *they* and the power-gilded *we*.

Pronouns can send you into a quagmire of misunderstanding. During a negotiation, force your counterpart to use specific nouns and proper names to clarify the communications. This preventive measure avoids a great deal of what often turns out to be inaccurate assumptions.

Don't leave the negotiation table guessing which "they" or "we" the speaker was talking about. Sometimes the best course is to just throw up your hands and say, with humor, "Too many pronouns." I've never met anyone who begrudged me for taking the time to clarify. In fact, more often than not, the request gets a chuckle. The potential for confusion in this situation is obvious, and most honest people appreciate efforts to maintain clarity.

Recognizing the High Cost of Ambiguity

I realize that my call for clarity flies in the face of advice you may receive from people who say that ambiguity is the lubricant of negotiations. Not only does that unprofessional attitude prolong a myth about negotiating, but it has also spilled blood, cost lives, and wasted millions of dollars, drachmas, and dreams. The following sections explain what you risk when you're unclear.



The results of an intentional lie and a mere miscommunication are often about the same. Preventing an innocent miscommunication is well worth the energy.

Deals that disappear

A lack of clarity often occurs when one party intentionally makes an unrealistic opening offer. If an outrageous trial balloon doesn't get the expected reaction (shock, disbelief, laughter, and ultimately bursting of the balloon), the person who made the offer often recounts, with great animation, that the other person "didn't even bat an eye."

The percentage of negotiations that never get underway because the initial demand was too high would be difficult to determine, but I believe it happens more than most people suspect. The person who's turned off may never say a word to the party making the demand. Think of your own behavior. If you think the prices in a boutique are outrageous, do you say so? Or do you smile at the shopkeeper and say, "Just looking"?



When communicating opening offers, make sure you're clear about what you want — don't let a deal go sour because you weren't clear about your actual intentions.

Changes in the atmosphere

The dynamic of a discussion changes when communications aren't clear. The other party feels insecure and, instead of confronting you on your lack of clarity, often compensates in one of two ways:

- ✓ **Reciprocal obfuscation:** That term simply means that the other party starts to be unclear, too. (I love the irony of using a hard-to-understand phrase to describe things that are hard to understand.) The other party doesn't know where you stand, so they don't feel comfortable making a clear commitment, either. This situation substantially slows down a negotiation and may make productive communication almost impossible.
- ✓ **Leaving lots of room to maneuver:** If you aren't clear, others won't feel safe enough to tell you specifically what they want. Instead of committing to a position, your counterpart will leave lots of room to maneuver until you clarify where you want to end up.

These consequences are almost impossible to detect. Instead, you begin blaming the murkiness or indecision on the other party.

If you run into one of these behaviors, see whether the problem started with you. Even if it didn't — even if you're dealing with someone who is naturally unclear or reluctant to take a position — you can push that person to greater clarity or decisiveness by communicating more clearly yourself.



For a list of phrases that sound evasive or can otherwise impede the conversation, head to www.dummies.com/inaday/negotiationskills. Getting familiar with these phrases will help you quickly identify evasive communication in your negotiations so you can address them with confidence.

The worst case: Confusion after closing

When a lack of clarity is a major factor in a negotiation, serious disasters can occur when a deal closes and no one realizes that confusion infuses the agreement. When written contracts are to follow, the lawyers usually catch a lack of clarity during the drafting stage, and the ambiguity can be worked out.

In a less formal situation, you generally don't discover the confusion until much later. When that happens, both sides feel cheated and misled. People are rarely neutral about the cause of miscommunications, and blame is never far behind discovery that the two parties failed to communicate well. The fallout damages reputations, and the acrimony often permanently damages the relationship between the parties.

Chapter 4

Listening with Your Ears and Eyes

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In This Chapter

- ▶ Improving your listening skills
 - ▶ Reading body language
 - ▶ Recognizing when the other party isn't listening
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Listening well is fundamental to every negotiation. Listen with your ears, your eyes, and every pore in between, because much of the messages that people communicate is nonverbal. Listening actively and recognizing a person's body language can give you a leg up in all kinds of situations. The alternative leads to failed deals, bad deals, and no deals.

In this chapter, I describe five techniques for improving your ability to listen and also offer some pointers for using and interpreting body language.

Becoming a Good Listener

At its simplest, *listening* is accurately taking in all the information that the other party is communicating. At its most sophisticated, listening also involves motivating another person to open up, to communicate more information and express ideas more clearly than normal for that individual.

You can improve your listening skills prior to a negotiation by implementing the five techniques I describe in this section. All are easy to do and bring immediate results.

Creating a clean space

Noise clutter, desk clutter, and even mind clutter interfere with good listening. It also keeps others from listening to you. So before you begin a conversation, take these steps to clear away the clutter:

- ✔ If you're thinking about another issue, write down your thoughts before you begin interacting with another person. With a written reminder to address the other issue later, you can free your mind to concentrate on the current discussion.
- ✔ Clear the surface of the desk, table, or other surface that sits between you and the other person so you can focus on the conversation. A notepad and pen for taking notes and reference materials related to the conversation are fine, but set everything else aside.
- ✔ Don't accept phone calls during a negotiation or other face-to-face conversation. Taking a call is distracting, and the interruption tells the person in the room that she's less important than the caller.

The same rules apply to phone conversations. Don't try to negotiate on the phone while you're reading a note from a colleague, catching up on filing, or doing another task. You can't process multiple sets of information at the same time.

Taking notes

Regardless of whether you ever refer to the notes again, writing down salient points of a conversation helps you pay attention and remember the message. Fully absorbing an entire conversation of any length is nearly impossible without some written reminders.

Immediately after a negotiating session, review your notes to be sure that you wrote down everything you may need to recall and that you can read everything you wrote down.



Send a follow-up message that summarizes what you think you heard during a meeting and verify the material with the other side. Even if your counterpart believes that you recorded the conversation incorrectly and rejects your

version, your message provides an opportunity for you and the other party to correct (or at least flag) conflicting views. Immediately thank the other party for any response you receive and point out that you sent the message to ensure that you interpreted the discussion accurately.



People often change or refine their positions after seeing them in black and white. Let modification occur gracefully. If the other party provides a new version of the negotiation in response to your summary, don't argue about what you think you heard previously. Your goal is to identify and document the other party's position, not to prove who said what.

Asking questions

Crafting well-considered questions is vital to skillful negotiation. Be sure to use clear language and ask questions in a way that elicits the information you're hoping to get. For instance, know whether you want to get facts or an opinion from the other person, and frame your question accordingly. "How many employees are available?" delivers different information from "Will this schedule work?"

And if you really want to know two different things, ask two different questions. Sure, it's a little more work to break down the information needs and carefully phrase questions, but you're the one who wants the information, so it's only fair for you to do the work.

Timing questions appropriately, listening carefully to the answers, and following up with additional questions as needed for more detail can move a negotiation forward in a way that nothing else can.



For guidelines on asking good questions, go to www.dummies.com/inaday/negotiationskills.

Waiting to respond

One extraordinarily simple tactic can help you listen more effectively: Pause and count to three before you speak. This slight delay enables you to absorb and understand the last statement before you speak. It also alerts to other person that you've given some thought to what you're about to say.

Staying alert

If you're truly interested in what another person is saying, demonstrate alertness. Here are some ways to show interest:

- ✔ Keep your eyes focused on the person who's speaking.
- ✔ Acknowledge the person's words with occasional nods.
- ✔ Uncross your arms and legs.
- ✔ Sit up straight in your chair.
- ✔ Face the speaker full on.
- ✔ Lean forward.

If you feel yourself getting drowsy during a meeting, sit up straighter or take a break, if possible.

Listening Actively

Active listening involves all the senses as well as many techniques that help you ensure that you've heard and interpreted the message correctly.

You can work on your active listening skills by using these two techniques in your next conversation (whether it's a negotiation or just a friendly exchange of information or opinions):

- ✔ **Restating:** Repeat, word-for-word, a short statement that the other person just made to you. Restating may be harder than you think. You don't use this technique all the time or in every circumstance, but it's a good way to raise your awareness level and indicate to the person talking that you are in fact listening.
- ✔ **Paraphrasing:** In your own words, recount longer statements that the other person has said to you. Don't be embarrassed if you get it wrong a lot when you first start paraphrasing.

People use paraphrasing more frequently than restating because it allows a conversation to flow more naturally and shows that the listener is trying to accurately process the information. This is a good technique to use when someone is

presenting a lot of information and you want to be sure that you understand it every step of the way.



No matter which active listening approach you decide to use, be sure to implement it with respect and good humor. Try starting with the phrase “Let me see if I got that right.”

Understanding Body Language

Oral and written communications are not the only elements of communication in a negotiation — or in life. *Body language* refers to all the ways people communicate without using words. And good negotiators get even better when they accurately draw insight from the way a person stands or sits, dresses for a meeting, and responds to conversation elements through facial expressions and body movements.

Honing your ability to use and understand body language is one of the most enjoyable ways to improve your negotiation skills. Becoming familiar with body language can help you recognize resistance, boredom, and nervousness as well as engagement and excitement, and it can prompt you to make adjustments to improve your negotiation performance.

Aligning your body language with your words



To be believable in a negotiation process, make sure your body language expresses the messages you want to send and that it's in line with what you're saying. If you're enthusiastic about a project, sit up straight and lean toward the other party. Doodling on your notepad or staring off into space sends a stronger message of disinterest than whatever words may be coming out of your mouth.

Here are some reasons that your body language may not match your words:

- ✓ **You're tired.** Keeping your body properly expressive when you're low on energy can be tough. If you feel your attention slipping during a negotiation, take a small break. Stand up or walk around to get your blood flowing or, if necessary, step outside for some fresh air.

- ✔ **You're distracted.** If your mind begins wandering away from the topic at hand, ask for a break so you can clear your mind. When distracted, people often signal that they're drifting with unintentional gestures, movements, and mannerisms, and the other party usually notices. Mental presence is vital to positive outcomes in negotiation.
- ✔ **Your communication habits are poor.** A classic comic sketch shows a disgusted spouse uttering a terse "Fine" with lips clamped tight, letting his partner know that things are anything but fine. In almost all situations, body language trumps the spoken word. So be honest about your opinions and articulate reservations you have about a potential agreement to allow the other side an opportunity to resolve them with you.

Reading someone else's body language

Being able to accurately read the attitude and feelings of someone across the table can be critical to your negotiations. Based on what you learn about a person's mood or attitude, you can temper your words and actions appropriately — calm someone who's agitated, for example, or perk up someone who's bored. The more you practice interpreting and responding to body language, the better you'll become at negotiating.



Try reading body language the next time you're in the following situations:

- ✔ **At a work event:** Pause at the door for a moment. Instead of looking for someone you know, scan the room. Identify the more influential people. Try to distinguish who wields power. What differences in body language make social status apparent?
- ✔ **At a social gathering:** Before joining the gathering or at some point during the event, stand aside and try to spot very outgoing people. Who's shy? Are people arguing?
- ✔ **In a public place:** Watch people talk on their cell phones and guess who's on the other end of the line just by observing the body language of the person you're watching.

If a person is cradling the phone, with head cocked and body draped languidly, a romantic interest is probably on the other end. If the person is shifting from foot to foot and looking around, an uncomfortable personal call is probably taking place. If the caller is standing erect and staring down at some notes or looking straight ahead in concentration, the call is most likely business related.

Changes in facial expressions and in how someone is sitting or standing offer clues to their attitudes and emotions. Pay attention to these shifts; they're important. They may mean that the person is becoming more or less receptive to you or is losing interest and becoming restless.

Seeing a change of heart

You can gauge shifts in a person's level of acceptance to your ideas by watching body language. As someone's acceptance of your position or idea grows, she may make the following movements to indicate agreement with your position:

- ✓ Cocking the head
- ✓ Squinting the eyes slightly
- ✓ Increasing eye contact
- ✓ Uncrossing the legs
- ✓ Leaning forward
- ✓ Scooting to the edge of the chair
- ✓ Touching the forehead or chin
- ✓ Touching you (to reassure, not to interrupt)

Conversely, increasing resistance to your ideas shows through these gestures:

- ✓ Fidgeting nervously
- ✓ Squinting the eyes in a grimace
- ✓ Reducing eye contact
- ✓ Locking ankles
- ✓ Placing hands behind one's back
- ✓ Placing a hand over one's mouth

- ✓ Gripping one's arm or wrist
- ✓ Crossing the arms in front of the chest
- ✓ Making fistlike gestures
- ✓ Twisting the feet or entire body so they point to the door

Ferretting out boredom

One of the most important body language messages to look for in any conversation, but especially in a negotiation, is an indication of boredom. Looking out the window, holding the head up with one hand, doodling in a way that seems to absorb the doodler's complete attention, drumming fingers on the table — all these actions indicate that the listener is no longer paying attention to you.



If you notice that the other party in your negotiation is showing signs of boredom, hit the pause button. Say, “I sense that I’m losing you. What’s happening?” And then listen. You may find out what’s really keeping this person or group from accepting your idea.

Pausing for this reality check can save a great deal of time and win you respect as a person who is perceptive and willing to risk hearing the truth. This alone can offer huge strides toward a successful resolution to your negotiation.

Interpreting at-odds messages

Reading the body language of another person is not a trick to gain advantage; it's a tool to improve communication. People who exhibit incongruous body language are frequently unaware that their spoken words don't match their true feelings. By drawing out those differences and reconciling them during a negotiation, you can improve the long-term health of a potential agreement.

If you sense that someone has reservations or opinions that he's not talking about, begin asking questions to uncover specific thoughts and feelings about the topic being discussed.

Here are some body language signals that indicate a need to digging deeper:

- ✔ **The nervous laugh:** When a person laughs in the absence of something humorous that everyone notices, the response may signal nervousness or discomfort. Address a nervous laugh after a few moments pass by asking the person for her opinion on the topic being explored. Often, the concerns aren't immediately revealed, but keep probing. You may need to return to the subject a few times, rephrasing your question, until the person articulates her reservations or opinions.
- ✔ **Positive words with negative body language:** Sometimes during a negotiation, a person agrees to an element of a deal but shows resistance. Perhaps he uses words that indicate the terms are fine but does so with his head angled away from you so he's looking at you sideways. If appropriate, address this by saying, "It looks like something may be bothering you." The person may be forthright about his feelings, or he may deny them; but it's usually smart to attempt to reconcile words with body language to reveal any problems and address them early.
- ✔ **Blind spots:** If you get conflicting verbal and nonverbal messages from someone but he denies that a discrepancy exists, you may be witnessing a *blind spot* — something you know about others that they aren't conscious of. Blind spots can cause miscommunications and resentment that become significant later, so if you suspect that the other party has a blind spot during a negotiation, try to reveal it by acknowledging your own need for clarity: "I sense we should take a break." This approach is unlikely to make your counterpart defensive, and the pause in discussion may win you the insight you need.

Noticing When the Other Party Is Tuning Out

As you listen to the words and observe the body language of the other party during a negotiation, pay attention to indicators that the other person isn't fully engaged in listening to

you. Expecting someone to create a clear mental and physical space for your discussion, take notes, ask questions, and demonstrate attentiveness and interest in many of the same ways you do is completely reasonable.

If the other person mumbles go-to phrases such as “uh-huh” or “that’s interesting,” the response may be an expression of genuine interest, a way of postponing discussion, or — potentially fatal to communication — a signal that he’s fighting the dreaded doze monster. Those little demons that tug at the eyelids in the middle of the afternoon cause odd, unspecific utterances to fall from the lips. If you suspect the latter, try to clarify the meaning of the response. Ask the other person whether *uh-huh* means he agrees or just that he heard you. Similarly, when someone says “That’s interesting,” try to find out exactly what makes it interesting.

If you determine that the other party is simply not listening, take a break and determine whether the negotiation is important to their interests. Often, a quick stretch can help revive the session. If the tune-out runs deeper than meeting fatigue, it’s possible that the other side has already walked away from the negotiation table without informing you in so many words.



Focus on your immediate surroundings, whether you’re on a train, in a waiting room, or at your child’s soccer game — or simply turn on the television — and make note of the non-verbal cues of other people. Who’s excited? Who’s arguing? Who’s bored? How else might you interpret the body language of these same individuals? Practice interpreting body language to sharpen your eye for these details during your next negotiation.

Chapter 5

Pushing the Pause Button

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In This Chapter

- ▶ Knowing how and when to push pause
 - ▶ Controlling emotions
-

The ability to maintain emotional distance from whatever topic is being discussed is what differentiates the master negotiator from a pretty good or merely lucky negotiator. A technique that I call *pushing the pause button* is an effective way to maintain emotional distance. It's a way to put discussion on hold for a moment or an hour or even a day or two while you sort things out. You step away, physically or psychologically, to review the work you've completed up to that point and/or check your plan for moving ahead.

Knowing when and how to push the pause button endows you with an aura of composure and confidence and gives you control over critical points of a negotiation. It allows you to avoid getting boxed into a corner or allowing your emotions to rule (and possibly ruin) a negotiation. Especially if a discussion is heading down a negative or emotional road, remember to use your pause button.

This chapter explores the power of the pause button as well as the impact of the hot buttons that everyone has. The more you know about these buttons — your own and those of other people — the better success you'll have in negotiations and in life.

Communicating a Need to Pause

To push pause, you request a break from the proceedings to create a space that allows you to think through your next move. Everyone has a different way of pushing the pause button; the best way to get the break you need in a given situation depends on the people, topic, and other specifics of your negotiation.

Here are some ways you can pause — but not stall — a negotiation:

- ✔ **Notes:** Taking notes can be a helpful pause button. Instead of blurting out an inappropriate or angry response to a confusing or upsetting statement, tell the other party to hold on while you write it down. Then ask the person to verify that you got it right. This almost always motivates people to backtrack or amend unreasonable statements.
- ✔ **Deep thoughts:** For a short break, simply say, “Wait a minute, I need to take that in.” For a dramatic touch, try closing your eyes or rubbing your chin.
- ✔ **Restroom break:** Excuse yourself to the restroom. Who can deny you *that* request?
- ✔ **Time to sleep on it:** Ask for a night to think through the negotiation. Most people respect a request like this.
- ✔ **Check with the boss:** If you plan to consult with your boss as a means of pushing pause before closing a deal, let the other party know early in the negotiation that you don’t have final say. This tends to formalize the pre-close pause button and sets the tone for a thoughtful, well-considered negotiation. But don’t use this approach unless you actually have a boss with whom you check in.



Think about all the negotiating situations you’ve experienced and the various pause buttons that people have used. Write down as many as you can remember.

Knowing When to Pause

Pushing the pause button gives you time to carefully consider critical moments of a negotiation. Using it whenever you feel pressured or under stress is especially important. In this section, I point out some times during a negotiation that often warrant a pause.



Keep in mind that the pauses you take are only as valuable as what you do during the respites. I recommend asking yourself specific questions during pauses and thinking about the essential negotiating skills I outline in Chapter 1:

- ✓ **Prepare.** Do you need any additional pieces of information to move ahead confidently with the negotiation?
- ✓ **Set goals or limits.** How close are you to your original goals? Is the shortfall acceptable? Are the limits you previously set still viable considering the information you've gained during the negotiation process?
- ✓ **Listen.** Have you heard everything the other party's communicated so far? Do the words match the body language and tone of voice? Do you need to go back and explore any discrepancies?
- ✓ **Be clear.** Do you wish you had expressed a point or an idea more clearly or directly? Try to answer this question from your counterpart's point of view, not yours.
- ✓ **Know when to close.** Can any part of the negotiation be closed now? If it seems like everyone is in agreement, have you had plenty of time to consider life with the final proposal?

Sometimes you need to pause to give *yourself* a break; other times, everybody involved needs a pause, especially if the discussion has become heated. Getting caught up in the emotions of a negotiation can happen to anyone, especially if the right decision is to walk away from a deal.



I definitely suggest pausing negotiations at two specific points: when making a concession and when you're feeling pressured.

Making a concession

Every request for a concession calls for a pause to indicate that the concession is significant. If you don't pause proceedings before accepting a concession, then the other party may not realize that he's gaining something important. And no concession is unimportant.

A pause, no matter how slight, before making a concession gives you an opportunity to verify that it's the right thing to do. You want to be sure that you still have something left to give up in order to hold onto your chances of achieving the goals that are most important to you.

Feeling pressured

Some negotiators use pressure to get what they want. They may impose an artificial deadline, use emotional language to rush you, or ask intimidating questions, such as "Don't you trust me?" or "What else could you possibly need to know?"



Don't give in to these or other pressures. Make it clear that you won't be bullied into reaching a decision. If you're not allowed to use your pause button, then walk away from the negotiation.

Decisions made under artificial pressures — especially time pressures imposed by the other side in a negotiation — are often flawed because the decision maker doesn't have sufficient time to consult that most personal of counselors, the inner voice. So if you're being pressured to reach a decision too quickly, take a few moments to consider whether the pressure for a speedy response is reasonable.

Acknowledging someone else's strain

Sometimes you sense that the other person needs to push the pause button but isn't doing it. Never say so directly. Instead, be explicit about your need to take a break:

- ✓ “I need a break.”
- ✓ “Things are getting a little heated in here. Can I take five?”
- ✓ “Let’s call it quits for a while. Can we get together tomorrow morning to pick up on this again?”

When someone else asks for a break, be cautious about resisting it. If a person needs thinking time or a moment to regroup, allow it. And take a break yourself. But be alert. After one or two breaks, try to determine whether the other party is unfocused or distracted by another issue or is using a pause to consider the proceedings.

Managing Emotions

Everybody experiences emotions and responses to certain events and triggers. Just because you’re involved in a negotiation doesn’t mean that you’ll remain cool, calm, and collected throughout. In fact, the more important the negotiation is to you on a personal level, the more likely it is to stir up your emotions — both negative and positive. Do your best to maintain control so you can use your feelings to your advantage.

Dealing with your hot buttons

Channeling your emotions appropriately as a negotiation progresses is usually pretty easy until someone or something pushes one of your *hot buttons*, a stimulus that triggers an emotional response and threatens your ability to retain emotional control. Acknowledging the topics or scenarios that upset you is an important step toward avoiding a mid-negotiation meltdown.

Never let your emotions take control of your actions. When someone activates a hot button, don’t make outlandish demands or angrily storm out of the negotiating room; instead, take a breather and suggest meeting later.

Stop now and think about your hot buttons. What makes your blood pressure rise? When are you most likely to get upset in a negotiation? Write down your answers.



Addressing anger

When people don't get what they want, a natural response is to get angry. But keep in mind that you can express anger calmly but firmly. Anger can be useful in helping determine your limits. (Although, truth be told, you usually get angry because you allowed someone to cross your limits.)

Expressing your anger is important; if you try to repress it, anger is likely to find a way to slip out — perhaps in a way that destroys the entire negotiation. But you don't want to show your anger by going ballistic. To manage the situation's emotional charge, consciously and calmly express anger using “I” statements (“I feel really angry because . . .”) and avoiding “you” statements (“You're wrong because . . .”).



Honest communication between the parties is vital to effective negotiation. If you're truly angry about something, you need to tell the other side. Most people aren't mind readers, so they don't know when they've stepped over a line unless you tell them. If needed, let some time pass before talking about the anger, but don't let the point go, especially if your relationship with the other party matters to you.

Expressing enthusiasm

Some people are afraid that if they reveal how much they want a deal to close, the other party will take advantage of them. As long as you properly prepare and set your limits, you can't be exploited. Be sure you allow yourself to walk away if the terms of the sale aren't right.

Don't be afraid to show that you really want or like something during a negotiation. Letting others know how much you want what they're selling can actually give you a great advantage. Perhaps you can get the seller to become sympathetic to your position by revealing your interest. Just don't let your enthusiasm cause you to promise something that you can't or won't deliver.

Similarly, when you're negotiating with someone who's very enthusiastic, be sure that any promises he makes to you during the course of the negotiation show up in the written contract.

Staying positive

Your attitude is the first thing people experience about you during a negotiation; it comes before you voice a greeting or reach across the table to shake hands. When you display a *positive attitude* — that is, believing that a situation will turn out favorably for you and others — your body language reflects your thoughts and sends signals of openness. (See Chapter 4 for insight on using and interpreting body language.)

Knowing the power of your attitude is critical, especially when you hit a snag in the negotiation process. In tough situations, what matters most isn't what happens to you but how you react to what happens to you. The pause button is a powerful tool for gathering yourself and ensuring that you think and act positively even in the face of challenges.

Use these four tips to help you maintain a top-notch attitude at the negotiating table:

- ✔ **Focus on the future rather than the past.** Think about where you want to be and what you want to do. Envision your ideal outcome to the negotiation and take whatever action you can to begin moving in that direction.
- ✔ **Find solutions.** Don't waste time rehashing and reflecting on problems. Instead, think and talk about what you can do to manage the setback. Offering solutions presents you as a positive and constructive person.
- ✔ **Look for the good.** Assume that something good is hidden within each challenge. When you push the pause button, search for positive aspects of the situation.
- ✔ **Learn.** No matter what comes up in a negotiation, assume that whatever you're facing at any given moment is exactly what you need to ultimately be successful. Use challenges to learn, expand, and grow.

Handling discouragement

Many professional negotiators work in the sales field. Selling, even when it's done well, involves a great deal of rejection and failure, which can lead to feelings of frustration and discouragement.

Instead of wallowing in self-pity, consider each failure to be a learning experience — feedback that enables you to change direction. Failure is not an accident. It has structure and sequence involving people, thoughts, feelings, and actions. When you understand this sequence, you can work to structure things differently in the future.

If things go wrong in a negotiation, consider the steps of the process you experienced and make changes to improve similar situations in your future. The following pointers may help:

- ✔ **Eliminate negative emotions and learn.** Briefly acknowledge your discouragement. Then focus on what you could've done differently to achieve a different outcome.
- ✔ **Establish a fresh mindset.** Use the current situation as a starting point and consider existing options as a road-map to your ultimate success.
- ✔ **Consider different perspectives.** Think about how the situation appears to someone who isn't involved. Eliminating the emotions and assessing a situation objectively can reveal parts of the process that need improvement or more careful attention in your next negotiation.

Chapter 6

Closing a Good Deal

In This Chapter

- ▶ Recognizing what constitutes a win
 - ▶ Finding solutions
 - ▶ Getting the timing right
 - ▶ Bringing closure to a deal
-

Oh, to know the glorious feeling of closing the deal. Closing a good deal is the ultimate goal of negotiating, but *closing* isn't the most important part; *good* is. The actual goal of a negotiation is to close a deal that both sides feel good about — throughout the term of the agreement.

This chapter covers how to close a deal so that it lasts and — if necessary — how to walk out if there's no deal to be made. Although closing requires a separate set of skills from negotiating, closing skills apply to every step of the negotiation process.

Assessing the Good and the Bad to Achieve a Win-Win

Determining whether you're en route to a *win-win solution* — a deal in which both sides are satisfied with the outcome — is impossible unless you can tell the difference between a good deal and a bad deal. Here's what's what:

- ✔ **Good deals:** A good deal is fair under all foreseeable circumstances. It provides for various contingencies before problems arise. A good deal is workable in the real world.



Before closing, be sure that the other side agrees that the deal is good. You don't want to make a deal with someone who harbors resentment over some aspect of the agreement. (See Chapter 4 for tips on reading body language.)

- ✔ **Bad deals:** A bad deal allows foreseeable circumstances to create problems in the working relationship. Various aspects of the agreement may look great on paper but don't work in the real world — for reasons that are predictable during the deal-making process.



Fairness is subjective. You must determine whether a deal is good or bad for you; the other party does the same for the other side.

Establishing conditions for concessions

An important part of achieving win-win deals is making concessions and creating conditions, and savvy negotiators are sure that every *concession* — benefits you yield to the other side — is always balanced with a *condition*, which is the pay-back or benefit you receive for granting a concession.

You may say, “I’m willing to knock off 20 percent from the price if you guarantee at least three monthly orders of this size during the next 6 months.” The condition is a guarantee of additional sales. If the other side refuses to agree to your condition, then you charge full price and void the price concession.



You can view each request for a concession as a mini-deal within the larger negotiation. As you negotiate concessions and conditions, avoid backing yourself into a corner and allowing the concessions/conditions balance to get out of whack by using noncommittal phrases:

- ✔ “Assuming we reach agreement on everything else . . .”
- ✔ “As long as the overall deal works . . .”

Keeping the mini-deals contingent on agreement of the umbrella negotiation improves the likelihood that both

parties get what they want most — assuming, of course, that priorities don't change over the course of a negotiation.



If the other side changes its priorities, don't offer new or different concessions until you find out what happened to trigger the change. One of the following situations can trigger a change:

- ✔ **Significant change of circumstances:** Find out everything you can about the new situation and then revisit the point on which you thought there was some level of agreement. Verify that the current negotiation is still a matter of interest to the other side in light of the new situation.
- ✔ **Strategy:** The other side may be trying to pull a fast one on you. If a constant change of position is part of a person's negotiating style, expect the person to be unreliable during the implementation of an agreement. This probably isn't someone you want to close a deal with.
- ✔ **Lack of preparation:** The other side may not be fully prepared for the negotiation. If that's the case, take a break and allow the other side enough time to prepare. You want the other party to be ready to negotiate.

Reviewing the details

To be sure that you have a good deal at closing time, take a break just before signing on the dotted line and ask yourself the following questions:

- ✔ Do you know the person you're dealing with and why he wants to make this deal with you?
- ✔ Based on all the information, can the other side perform the agreement to your expectations?
- ✔ Does this agreement further your personal long-range goals? Does the outcome of the negotiation fit into your own vision?
- ✔ Does this agreement fall comfortably within the goals and the limits you set for the negotiation?
- ✔ Are the people who need to carry out the agreement on both sides fully informed and ready to do what it takes to make the deal work?

In the ideal situation, the answer to all these questions is a resounding *yes*. If you're unsure about any one of these elements, take some extra time to review the entire situation. Determine how the agreement can change to create a *yes* answer to each question and try to make the needed adjustments.

If you can't achieve a firm *yes* to any of the questions, consider these steps:

✔ **Justify your decision.** If altering the deal isn't possible but doing so means that you could answer *yes* to each question, before closing, write down exactly why you're choosing to move forward with the agreement despite your reservations. Having a record to help you remember why you took the deal is particularly helpful if the agreement turns sour or otherwise doesn't work out well. You can learn from experiences like this.

✔ **Get more information.** If you have a question about the right answer to any of the first three questions, get more information from the other side or another source. Ask good questions to find out more about the other person or the situation.

The people you deal with are more important than the paperwork you draft. Know your counterpart very well before you enter into a long-term relationship. No lawyer can protect you from a crook; even if you have a watertight case, you don't want to be in a lawsuit.

✔ **Consider motivations.** Some negotiations are straightforward and the interests of each party are clear. In more complicated situations, the factors driving the negotiation aren't always obvious. If you have concerns about the agreement you're preparing to sign, make sure you understand the specific interests of the other side.



When you have a *yes* response to each question, close the deal. Don't go for any more changes even if you think that the other person will go for it. Going back for one more little thing, especially if it's not all that important, may annoy the other side and threaten the entire deal. No one wants to do business with someone who's greedy, who delays a deal by trying to grab some small, additional advantage.

Overcoming Barriers

After carefully considering the quality of a deal, you may realize that you still have some apprehensions. In this section, I describe some common barriers that can stall or even kill a potential deal, and I point out how you can address them — whether they're your own hang-ups or they're plaguing the other party.

Recognizing fears

If you find it difficult to close, the real question is probably not “How do I do this?” but rather “Why do I hesitate instead of going for it?” Here are some of the most common fears at a negotiating table:

- ✔ **Fear of failure:** To some extent, everyone shares this fear — after all, no one *wants* to fail. But in extreme cases, a fear of failure can prevent you from asking for what you want.
- ✔ **Fear of rejection:** Being ignored or cast aside feels terrible. But an inflated fear of rejection may prevent you from asking for an agreement, ensuring that the deal dies on the vine.
- ✔ **Fear of criticism:** If you work in an environment that's heavily critical no matter how favorable your outcomes are, then you may resist closing deals to delay judgment. Who can criticize a deal that's still being negotiated?
- ✔ **Fear of making a mistake:** Some people fail to recognize that making mistakes is a normal part of life. For them, finalizing a deal that may not be perfect is scary, so they shy away from closing.
- ✔ **Fear of commitment:** Closing a deal is a powerful commitment that may require you to fulfill obligations for a period of time that's longer than many American marriages. Many people get hung up on making long-term commitments.
- ✔ **Fear of loss:** Closing a deal, especially one resulting from a long and intense negotiation process, means losing the freedom to continue altering the agreement. Accepting the loss of certain concessions and what's possibly become a familiar routine can also be tough for some people.

If you can't eliminate your closing fears, try to minimize their impact:

- ✔ Consider the consequences of not closing.
- ✔ Imagine the criticism you'll receive from those who are counting on you to close this deal.
- ✔ Articulate the specifics of your fear. Talk with the other side about it, especially if you're struggling to accept a part of the agreement or process.

The other party may also have some mental blocks to closing. If you sense he has a fear that's blocking a close, try setting a time frame for the negotiation or encouraging him to talk about his hesitation.

Exploring your counterpart's objections

When someone directly states an objection to whatever you're proposing, seize the opportunity to clear away the barrier. An objection that's honestly stated is an invitation to satisfy some concern or meet a need that you haven't yet addressed.

Find out as much as you can about the person's concern and determine whether there's more to her hesitation than what she's telling you. Unfortunately, you usually can't just say, "Come on, tell me what's really bugging you." Instead, use these questions to tickle out the information:

- ✔ "If we can find agreement on this one item, can we close this deal today?" If not, you know something else is bothering the other person.
- ✔ "How about we . . . ?" Suggest a new approach that offers a concession linked with a condition to meet one of your own priority goals. If this works, you know you've stumbled onto what's really bothering the other side.
- ✔ "In a perfect world, what would this deal look like to you?"



When you're inside the negotiation, the answers to these questions can reveal all sorts of information you can use. Be sure to keep digging until you're satisfied that you fully understand the objection.

If the objection is tough to resolve, then try seeking additional information about the person, your competition, and/or your own company or product to find possible solutions.

Finding solutions

People who resolve conflicts and solve problems in their personal lives are considered to be agreeable and cooperative. At the negotiating table, these people are considered brilliant. Your success as a negotiator depends on your ability to eliminate barriers to closing a good deal.

Take a look at these characteristics of closers. Which ones best describe you?

- ✓ **Resourcefulness:** Strong closers always seem to find a solution. The resulting approach may not be the one originally proposed, but the solution achieves the desired result. Weak closers tend to get stuck on a position that they push even in the face of strong resistance.
- ✓ **Enjoyment:** Strong closers tend to genuinely enjoy creating consensus and consider it a fun activity to meet the needs of others in mutually beneficial ways. These tasks are often a struggle for the weak closer.
- ✓ **Punctuality:** Strong closers generally accomplish tasks on time. Weak closers often procrastinate in many aspects of their lives.
- ✓ **Partnership:** Strong closers rejoice and celebrate with the other side when a deal closes. Weak closers often feel a sense of self-doubt and mistrust for the other party.

Good closers are often witty or clever, but these personality traits aren't necessary. To be a good closer, you simply need to have the confidence to follow through with the goals and limits you set when you began the negotiation.



With a friend or family member, rehearse the various approaches for closing. Role play. Describe a negotiation situation to a friend and ask him to challenge you with likely objections. The more naturally you can respond to objections in a practice setting, the easier it'll be for you during a real negotiation.



Still struggling to find a solution? Go to www.dummies.com/inaday/negotiationskills to find out how to manage disagreements and even hostility and turn them into a productive part of the negotiation process.

Knowing When and How to Close



When the time comes to close a deal, good closers know they have one way to get the order or finalize the agreement: *asking* their counterparts whether they'll agree to the current terms.

A good mantra for closing a deal is similar to that of voting: Do it early and often. The right time to make your first effort at closing a deal is when you first sit down at the negotiating table. Everything you do and say during the negotiation should center on closing a deal that's mutually acceptable and beneficial to all the parties involved.

Setting a deadline

Negotiations tend to fall into place at the last minute, so it sometimes helps to set a deadline for closing. Every deal has time constraints on some level, so establishing a deadline for concluding the negotiation process can help focus discussions and enable a deal to close smoothly.



If you suspect the other side is pushing for a phony deadline, test it. Get an explanation about the timing restrictions. The phony deadline is a classic negotiating trick used to hurry one side into a quick close.

Being open to walking away

If you use the essential skills I describe in Chapter 1, you'll likely recognize when it's time to close a deal. Just remember to push the pause button before actually closing. Take a breather, look over the entire agreement. Make sure it works for you and the other side in the real world.



Anytime you become certain that carrying out an agreement would compromise your integrity or that you can't trust the other party to fulfill his part of the deal — no matter how late in the negotiation process — run, don't walk, away from the negotiation.

Keep in mind that you can get ridiculously close to an agreement, and the entire negotiation can still fall apart on you. No matter how much hard work and time you invest in getting to the final stages, walking away from the negotiating table empty-handed is always a possibility.

When the Deal Is Done

Finally! The negotiation is over. The contract is signed. Everyone's happy. You're being roundly congratulated. Now, just two tasks remain for the good of the deal and your own professional growth. One is to review the entire negotiation process; the other is to ensure that the deal is properly executed. Then you can celebrate.

Reviewing the process

After you get a little time and distance from a completed negotiation, review the proceedings. No matter how terrific your outcome may be, carefully consider what you could have done differently to improve the process. Think about the consequences of the various choices you made and mentally play out options you had along the way.

During your review, ask yourself the following questions:

- ✔ What additional information could I have gathered before the negotiation started? Where would I have gotten that information?
- ✔ Did I know as much as possible about the other party?
- ✔ Was I as well informed as I needed to be about the marketplace?
- ✔ Were my goals appropriate to the situation?



This isn't asking if you achieved all your goals. If you did manage to achieve all your goals, then you probably didn't set your sights high enough.

- ✔ Were my limits appropriate to the situation? Did I learn anything during the negotiation that caused me to change my limits? Did I adjust my limits just to keep the deal alive, or did I change them based on new information?
- ✔ Did I listen as well as I could have?
- ✔ Did I communicate as clearly as possible throughout the negotiation? Did a lack of clarity ever threaten the deal?
- ✔ How often did I use my pause button, and which pause button did I use? What triggered a need to pause? (I describe the pause button in Chapter 5.)
- ✔ Did I begin closing right away? How many efforts to close did I make?

Checking implementation

Whether you're a part of a large organization or you negotiate on your own behalf, never close a file and consider a negotiation complete until you've taken steps to ensure that the agreement is carried out. Be sure that implementation of the agreement is ethical, timely, and honest.

Here are specific precautions you can take:

- ✔ Mark a calendar with due dates for various items.
- ✔ Verify that the people responsible for carrying out the agreement are on board and understand the terms.
- ✔ Report progress to the other side if appropriate for the agreement.

Many large organizations have a special department, sometimes called Contract Administration or something similar, that handles the implementation details. Still, you should call the department after an appropriate amount of time has passed (usually a week or two) and satisfy yourself that the servicing system is in place. If you're a salesperson, you want to be sure that the order is being processed as promised.



If something goes wrong in fulfilling a contract, the problem reflects badly on you, the negotiator. If the terms aren't carried out in a professional and timely manner, the other party tends to remember that the deal she made with *you* went sour.

Celebrating

New beginnings and final endings are celebrated in every culture, even though the events may look very different. No matter where you are in the world, people celebrate reaching important agreements. Some go to church; some throw a party; some just light a candle.

The signing ceremony to mark the end of the negotiation and the beginning of an agreement's life often looms large in the United States. Americans shake hands over even the smallest agreements and pop champagne corks for the big ones.



Yet it's also important to celebrate when you decide not to close a deal. Walking away from a bad deal is like avoiding a collision in traffic. The appropriate response is to breathe a sigh of relief — and celebrate.

Chapter 7

Where to Go from Here

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In This Chapter

- ▶ Getting started
 - ▶ Checking out dummies.com
-

Now that you're armed with the basics of how to improve your negotiation skills, it's time to get started!

Taking Your First Steps

Becoming an accomplished negotiator takes know-how and practice. No matter how large or small, how important or minor, all negotiations require preparation, goals and limits, clarity, effective listening, emotional control, and closing skills. (A snapshot summary of these skills is in Chapter 1, along with some specifics on how thorough preparation can improve your negotiation outcomes.)

When you finally sit down at the negotiation table, know what you want to achieve and know your limits — and stick to them (for help with this common challenge, check out Chapter 2). And never underestimate the power of clear communication. Say what you mean (get a refresher on clarity in Chapter 3) and listen carefully to what the other party is saying (and not saying). Chapter 4 spells out how to sharpen your listening skills and interpret body language.

Sometimes during the course of negotiating, a topic or situation has potential to send you off the emotional deep end. Learn to control your emotions by taking some time before a negotiation session to become familiar with your hot buttons and create a plan for staying in control when you get riled up. (I cover all this in Chapter 5.)

But don't be afraid to calmly express dissatisfaction or anger about important elements of the negotiation. Stay open to honest feedback from others as well. Allowing people to express their genuine opinions and objections can put you at an enormous advantage and enable you to close deals that truly meet the most important needs of everyone at the table.

Keep in mind that walking away from a deal that can't meet your needs is far better than closing a bad deal that you may need to live with for a while. Chapter 6 offers guidance on assessing the quality of a negotiation and closing win-win deals. Ultimately, the idea of negotiation is to close a deal that works in the real world for all parties involved.

Visiting dummies.com

Along with the information I've previously linked to in this book, additional content on negotiation skills is available on the official *For Dummies* website. Point your web browser to www.dummies.com/inaday/negotiationskills to find additional tips on improving your negotiation skills. Visit the site to find

- ✔ **Key aspects of contract law you should know when negotiating business deals:** Some people spend years in law school to fully understand contract law. That's why you hire those people for big deals. But understanding the basics can help you avoid legal headaches when negotiating agreements. This article skims the surface of this deep well.
- ✔ **Ten personality traits of top negotiators:** Certain kinds of people seem to always walk away with the best deals. Find out what personal characteristics and social attributes you can develop to become a better negotiator.

About the Author

Michael C. Donaldson is an ex-Marine. As a 1st Lieutenant, he was selected to be Officer-In-Charge of the first Marine ground combat unit in Vietnam. He went on to earn his law degree from the University of California at Berkeley (Boalt Hall), where he was student body president. He is an avid skier, worldwide hiker, and award-winning photographer.

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We're proud of this book; please send us your comments at <http://dummies.custhelp.com>. For other comments, please contact our Customer Care Department within the U.S. at 877-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002.

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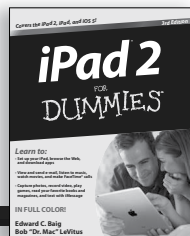
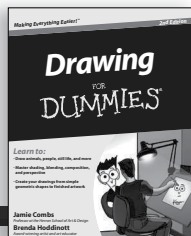
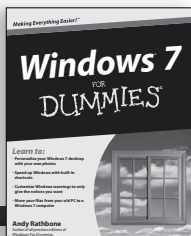
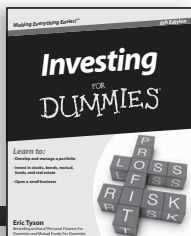
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