

10 Essential Tips for Negotiating Really Good Deals

We all have to negotiate, both at work and at home and yet, strangely, few of us are taught how. Yet there is no doubt that skilled negotiators win vastly superior deals than those who make it up as they go along! Although acquiring such skills may actually be a lifetime's work – not the least because we can always do better – here are some essential if basic tips that will serve even the most experienced negotiator well.

1. **Be Prepared!** Plan meticulously. Knowledge is power, especially in a negotiation! More deals go wrong because of the lack of preparation than for any other reason. Before you start, be absolutely sure to separate out your 'must haves' from your 'would likes' - and don't confuse them! Try to find out what theirs will be, too. How important is this deal for each party, and how can you build your power base? Whom will they field – and whom should you? What is their probable opening position – and what should yours be?
2. **Is a deal possible?** Negotiate only when both parties are willing in principle to do a deal and have the authority to do so. This means that both parties must have the power to vary the terms of the agreement. If one side does not have this authority, the other side should insist on talking to whoever does. And if a deal is not likely to be possible, consider investing your time better elsewhere?
3. **Be brave** in seeking concessions from the other side. If you don't ask, you won't get! One of the key skills in negotiation is to ask for as much as you can. And more? So be ambitious - aim high. If you don't ask, you won't get! And remember? You only get one chance to do this and retain goodwill? – at the beginning!
4. **Get their whole picture before you discuss the detail**, so insist on establishing all their demands at the start. That way, you can prevent them raising new issues later on. So ask: "Is there anything else you want to cover?", before moving on. This does not mean you will have to agree with all their demands, but it will help you to build a better relationship with the other side and help you to avoid personalized and unfruitful argument. (Remember, most people would rather be understood than win petty gains?)
5. **Clarify the real issues.** Go on - ask them! Most negotiators will boost their case as much as they can, but not all the points they make will be equally important to them. Find out which are their real issues (and 'must haves'), and which are secondary and less important, or even manufactured to strengthen their case?
6. **Be ready to decline their first demands, and their first offers.** Their first bid has to be their best bid (for them!), just as yours was for your side. Even if you don't think you have a good case to refuse their first offer, you may well be pleasantly surprised at the other side's willingness to settle for something less than they hoped for to win agreement. But don't just say "No" – look for new variables and be

JEREMY THORN

LEADERSHIP COACH, WORKSHOP FACILITATOR, NON-EXECUTIVE DIRECTOR
BUSINESS STRATEGY, ORGANISATIONAL SUPPORT & MANAGEMENT DEVELOPMENT

ready to make counter-proposals.

7. **Keep the whole package of proposals in mind.** That way, where you have to concede on one issue, you can reasonably ask for them to concede on others. So deal across a broad front rather than point-by-point. Don't let your side be 'salami-sliced'! Don't forget? - the more you give, the more they will want!
8. **So never give something for nothing!** Always seek something back in return, whenever you are asked to concede something. Remember, negotiation is the resolution of conflict by the exchange of concessions, not gracious collapse! Keep looking for new variables, which may keep you happy, or them!
9. **Remember the 4 'Ps'!** Stay Positive, Patient, Placid and Planned. While you need to truly believe in your proposition (be positive), many deals will take longer than you have thought (be patient), and the other side may well try to destabilise you (so stay placid). And back to Tip 1 – keep in mind your 'must haves', don't confuse these with your 'would likes', and make sure you give yourself enough time to plan!
10. **Check that both sides are agreed** on what you have eventually agreed. If you don't do this, the deal may easily fall apart if there have been any misunderstandings, with a consequent loss of goodwill. And leave them feeling they have won a good deal. (If they don't think they have, the deal may not stick!)



Jeremy Thorn has negotiated large, complex contracts of supply, purchase and employment internationally for the last 30 years. He is the prize-winning author of 'How to Negotiate Better Deals', Management Books 2000, ISBN 1-85252-381-6; 'The First Time Sales Manager', Mercury Books, ISBN 1-85252-397-2; and 'Developing Your Career in Management', Mercury Books, ISBN 1-85252-167-7. He is also a frequent public speaker and workshop presenter on business topics to a wide range of organisations internationally, including Negotiation Skills.

Jeremy is an experienced Chairman, Non-Executive Director, Consultant and Executive Coach for a wide array of businesses. With an early career in international, industrial sales and marketing, Jeremy was the MD of a successful international engineering business before founding a nationwide consultancy business. He is a Chartered Engineer with a first degree in Metallurgy from Leeds University and post-graduate training at the European College of Marketing, Cranfield Institute of Technology, the London Business School and Oxford Psychological Press.