

Sales Tip Sheet 9 –How to Negotiate Successfully

- **Do Your Homework**
Know who you're negotiating with before you begin. What's his or her reputation as a negotiator? Win/Win model or Win/Lose model? Does the person want to negotiate with you (Oh Boy!), dread the negotiation (Oh No!), or is this a neutral situation (Show Me).
- **Practice Double and Triple Think**
It's not enough to know what you want out of negotiation. You also need to anticipate what the other party wants (double think). The smart negotiator also tries to anticipate what the other party thinks you want (triple think).
- **Build Trust**
Negotiation is a highly sophisticated form of communication. Without trust, there won't be communication. Instead you'll have manipulation and suspicion masquerading as communication. Be trustworthy. Honour your commitments. Tell the truth. Respect confidences.
- **Develop External Listening**
Most people carry on an inner dialogue with themselves. When you're trying to communicate with someone else, this inner dialogue becomes a problem because you can't listen internally and externally at the same time. When you negotiate, turn off your inner voice and only listen externally. You won't miss important non-verbal messages, facial expressions of voice inflections, when you listen externally.
- **Move Beyond Positions**
It's risky to make yourself vulnerable to someone. That's why in a negotiation you begin by stating your *position*. Later, when the trust has deepened, you and the other party can risk more honesty and identify your true *interests*. As a negotiator, it is your responsibility to ask questions that will uncover the needs or interests of the other party. If you've also done your job of creating a supportive climate, you're more likely to get honest answers.
- **Know Your BATNA**
BATNA stands for Best Alternative to A Negotiated Agreement. The acronym comes out of the research on negotiation conducted by the Harvard Negotiation Project. Before you begin a negotiation, know what your options are. Can you walk away from the deal? What other choices do you have? What are the pros and cons of each choice? Don't stop there; also consider the BATNA of the other party.
- **Know What a Win Is**
What is your best case scenario? What is your worst case scenario? The area in between is called your *settlement range*. If you can reach an agreement within your settlement range, that's a win! Don't drop below your bottom line; you'll feel bad about yourself and the deal afterwards, and you may not follow-through on your commitments.