

Negotiating with Authority

Samuel T. Brown, III, PMP
Global Knowledge



Global Knowledge®

Session COM01

Negotiating with Authority

- Everything is Negotiable
- Know Them before They Know You
- Understand Their Perspective
- Develop Multiple Exit Plans
- Getting to “Yes”
- Best Practices

Negotiation Is...

- The “art of the deal”
- Getting more or less than you bargained for
- Making the big sale
- Making the right decision
- All of these and so much more

Managing Is Negotiating

- Every manager needs to become a proficient negotiator.
 - Holiday requests, task assignments, etc.
- The negotiating process should be active, that is thoughtfully analyzed, not reflexive (unconsciously chosen).

Golden Rule

- Everything is negotiable.
- Everything is a negotiation.

Synonyms

- Negotiate
- Barter
- Haggle
- Bargain
- Settle
- Discuss
- Exchange

Negotiations Are Common

- Every day, deals are done where some negotiations have occurred.
- Negotiations are commonly used to work out the best deal for both sides.
- You may not realize you are in a negotiation, but you probably use some negotiating techniques in many of your daily activities.

Daily Negotiations

- What things do you negotiate on a daily basis?

Daily Negotiations

- What things do you negotiate on a daily basis?
 - Contracts with outside companies?
 - Project deliverables with your staff?
 - Customer requests?

Daily Negotiations

- What things do you negotiate on a daily basis?
 - Executive or other staff requests?
 - Meetings with staff or customers?
 - Support or sales calls?
 - Your time commitments?

Daily Negotiations

- What things do you negotiate on a daily basis?
- What about priorities and conflicts?

Priorities

You need to go home to get your children to their various activities after dinner, which you also have to decide on and prepare.

You have web site updates that have been pending for a week.

Your boss asked you to find out what's wrong with the server in the district office across town; you know this will not take an hour.

Your expense report from last quarter is needed by the end of the week.

Your personal data has not been backed up in a month.

Your car insurance expires in 2 days.

Your friend wants to meet for lunch sometime this week.



Negotiate with Yourself

- Every day you negotiate with yourself.
- You prioritize your daily and weekly schedules as best you can knowing that something might come up.
- And something always does ... requests from clients, staff, boss, executives, family, friends, etc.
- Prioritization of your time is important.

What Is Conflict?

- Conflict is:
 - A natural fact of life, and ... unavoidable

What Is Conflict?

- Conflict is:
 - A natural fact of life, and ... unavoidable
 - An opposition of values, ideas, goals, etc.

What Is Conflict?

- Conflict is:
 - A natural fact of life, and ... unavoidable
 - An opposition of values, ideas, goals, etc.
 - About perceptions

What Is Conflict?

- Conflict is:
 - A natural fact of life, and ... unavoidable
 - An opposition of values, ideas, goals, etc.
 - About perceptions
 - Needed for innovation and creativity in teamwork
 - Productive for growth and development
 - Not positive or negative

Negotiations Are Everywhere in Life

- Personal life
 - You negotiate with yourself, family, and friends

Negotiations Are Everywhere in Life

- Personal life
- At work
 - You negotiate with your peers and your managers

Negotiations Are Everywhere in Life

- Personal life
- At work
- Negotiating with any party is easiest when you:
 - Know what **they** want
 - Know what **you** want
 - Can see a compromise that works

Understand Their Perspective

Dealing with Associates

Negotiating with People

- Examples include:
 - Assigning tasks to subordinates
 - Asking for assistance from peers
 - Appraisal and performance reviews
 - Asking for a raise, promotion, vacation, time off, etc.
 - Dealing with customers (in some cases)

Best Practices for Negotiating with People

- Win-win
- Try to understand their perspective
- Private is best

Win-Win vs. Win-Lose

- Negotiations should not be winner-take-all
 - Compromise feeds everyone
- Use a problem-solving approach
 - Be prepared to give ground in one area for something in another
 - Let them win something every time

Negotiating with People

- Try to understand their perspective
 - Be prepared
 - Know what you want
 - Find out what they are able to offer
 - Go with a clear plan for a win-win
 - Be confident you have thought of their perspective, possibly know their options

Keep it Private

- Without privacy, you cannot negotiate secret agreements
 - Image of deal is determined by others
- Private deals can be “spun” to make each side a winner in ways that matter to them

Understand Their Perspective

Big Deals

Best Practices for Negotiating Big Deals

- Win-win
- Everything is open
- Private is best
- Always have a partner for support
- Provide or require multiple options
- Invest your time in understanding their requirements

Find Counsel

- Always have a partner for support
- Do not get overwhelmed with details
- Do not try to do everything yourself
- Ask someone for their opinion and/or help

Multiple Options

- Provide multiple options to the client for success
 - This is why there are so many cellular options.
 - They really want to provide you a solution.
 - You should think like this as well.
 - What would be an ideal solution?
 - Cheapest?
 - Fastest?
 - Least disruptive?

Multiple Options Help

- Multiple options show you have looked past the obvious and tried to give them multiple exit points.
- Try to think outside of the box.
- Imagine the ideal solution for everyone concerned.

Multiple Options

- Invest your time in understanding the requirements
- Dig deep with any contacts you have:
 - What are they really after?
 - What are their expectations?
 - What has happened in previous, similar situations?
- Find out as much as you can about them

Understand Their Perspective

Confrontational Negotiations

Negotiating Contracts

- Examples:
 - Hiring and firing personnel
 - Outsourcing services
 - Unions or collective bargaining
 - Any legal type of battle:
 - Mergers
 - Acquisitions
 - Hostile takeovers
 - Taking competitors to court for any reason

Antagonists in Negotiations

- The other party wants to see you lose something
- The other party is wanting something they think is reasonable but your side does not
- Antagonists require additional negotiating skills and techniques

Best Practices for Confrontational Negotiations

- Win-win
- Everything is open
- Know the opposition's desires
- Multiple options
- Get their attention
- Always have a partner for support
- Never believe their opening claims
- Cast a big shadow
- Time invested promotes resolution
- Reveal nothing
- Private is best

Ignore Policies and Rules

- Everything is open:
 - Do not accept rules and policies as barriers.
 - Policies are bargaining tools, not laws.
 - Anything and everything is negotiable.
 - If the person with whom you are dealing does not believe this, speak to someone else.

Be Taken Seriously

- Get their attention:
 - Make the negotiation important early on.
 - Ensure that they take it (and you) seriously.
 - Let them know how you can help or hurt them.
 - “Either we get a window table or we’ll just go somewhere else, and you can cancel our reservation.”
 - “If we can agree on this, I am sure the fleet manager will include your company in next year’s bidding list.”

Ignore the Bluffing

- Never believe their opening claims:
 - Ignore the other side's stated needs or desires.
 - Everyone opens high.
 - Assume the opening discussion is a smokescreen.

Never Work Alone

- Always have a partner:
 - Someone in the background with whom you must confer
 - Equivalent of never bargaining alone or for yourself
 - Someone else to blame
 - Good cop, bad cop
 - Reason to delay decision
 - “I’ll have to ask Pat and Ziggy, see if they will agree...”

Presence

- Cast a big shadow:
 - Real or imagined, significance is a great lever.
 - Appear as important as you are able.
 - Take the moral high-ground.
 - Put tradition behind you.

Invested Time

- Time invested promotes resolution:
 - The more time invested, the more everyone wants an agreement.
 - As negotiations drag out, everyone's investment increases.
 - Do not get trapped by sunk costs.

Know Them Before They Know You

Getting Ready

- Preparation is everything.
 - What do they want? What will they accept?
 - What do we want? What will we accept?
 - How have they negotiated in the past?
 - Where are we likely to be in agreement?
- The better prepared you are, the less guessing on where things are going or leading to.
- Knowledge is confidence.
 - Know at least as much as they know.

Getting Information

- Where to find information:
 - Start by asking them
 - It is surprising what they will reveal.
 - What they do not explain is also telling.
 - Research their background
 - History of transactions and negotiations
 - Corporate history
 - Call their help line

Perspective

- Negotiate from their point of view.
 - What should they want?
 - “This would really help your public image.”
- Consider what is important in terms of ego, self-esteem, or image.

What They Want and Need

- Know the opposition's desires:
 - The more you know about the opposition's needs and desires, the better your position.
 - Negotiation is the process of finding out what others want and will accept.
 - The more you know, the less there is to negotiate.
 - Knowing what they want lets you devise win-win options.
 - Consider the negotiations from their point of view.

Stay Tight-Lipped

- Reveal nothing (e.g., legal issues):
 - The less they know about your position the better.
 - Confessions of any kind are a mistake.
 - “What I am really after is...”
 - “If we do not get this it’ll ruin us...”
 - Do not say what will happen if you do not get what you want.
 - Leave them guessing

Go with a Plan

- Know your position before starting:
 - Worst case (minimum acceptable)
 - Target (what you expect)
 - Best case (what would be great)
- Negotiation points:
 - Important issues (to you and them)
 - Less important (to you and them)

Develop Numerous Exits

- Having only one option boxes you in and makes you desperate.
- Having multiple options provides room to negotiate.

Multiple Plans

- It makes sense to have many options for what you want and for what they may or may not want.
- It is very typical in legal battles to consider all options from the defense and prosecutors.
- Multiple exit strategies are also common in negotiations such as mergers and acquisitions.

Getting to “Yes”

The Object of the Game

- You want to get to a solution, i.e., a “yes”
- You want to do it quickly, to the benefit of both parties
- OR ...
- You just want to win

Where to Meet

- Home ground is best
- Face to face
- Catch them unprepared, but do not be caught unprepared yourself
 - Never when they have phoned you
 - Review and call them back

Opening

- Start negotiations by suggesting a compromise
 - What you want, and think they want
 - Should sound accommodating
- Open high (best case scenario)
 - Make it sound reasonable
- Ignore their first reaction (unless it is good)
- Avoid “take it or leave it” statements

Haggling

- First, discuss issues you can agree on
- Then, ask questions, any questions
 - Zero in on their real position
 - Keep them talking

Debate

- Work together to generate alternative solutions
 - Look for areas of agreement
- Stand tough, let them make the first concession
 - First to blink sets the bar
 - Give ground slowly

More Haggling

- Ask more questions (keep them talking)
- Watch body language
 - Tense vs. relaxed; interested vs. bored
- Occasionally summarize points of agreement
- Use silence
 - Let them fill the void

Even More Haggling

- Be patient, time can be used against you
- Give ground on options; let them save face
 - Protect their ego; reshape description of deal to fit their needs
- Divide and conquer
 - Speak to negotiators separately
 - Look for an ally

Agreement

- Paraphrase to ensure understanding
 - Put it in writing
- Afterwards, smooth the waters
 - Thank them in writing
 - Keep it positive
 - Never gloat in public or private
- Make them come out as winners too
 - Them in public and you in private, or vice versa

Best Practices

Negotiation Best Practices

- Win-win
- Everything is open
- Know the opposition's desires
- Multiple options
- Get their attention
- Always have a partner for support
- Never believe their opening claims
- Cast a big shadow
- Time invested promotes resolution
- Reveal nothing
- Private is best

Recap

- Preparation
 - What do they want?
 - What do they know?
- Set high goals, but know your bottom line
 - Minimum, hoped for, and best case
- Develop negotiating points (room to move)
 - What they want and you don't
- Take a problem-solving approach (win-win)
- Negotiate from their point of view
 - Frame everything from their perspective

Thank You for Listening

Hope you enjoyed this course!

Let us know if there is anything else
we can help you with.

Contact Information

- Name: Samuel T. Brown, III, PMP
- Email: sam.brown@globalknowledge.com



Global Knowledge®

- Phone: Please call Global Knowledge with questions at 1-800-COURSES; or visit www.globalknowledge.com
- Session Number COM01