

How to negotiate with integrity

by Dennis Roberts

For some the worlds of negotiation and integrity may seem poles apart. How can you ensure you get what you want whilst retaining your integrity? Well, according to sales guru Jack Collis negotiators fall into one of three categories:

Soft negotiator - where the negotiator avoids conflict at all costs, seeks an amicable agreement, will often give away (rather than trade) concessions, take the path of least resistance and often end up feeling like they have been exploited.

Hard negotiator - believes that negotiation is a contest and test of wills. It is a battleground where only the tough will survive. This approach is based on being as competitive as possible and winning at all costs. Here there are no prizes for coming second.

Principled negotiator - will explore win/win outcomes, seek to understand the others perspective, preserve the customer relationship, separate the person from the problem and focus on interests not positions. They will be soft on the person and hard on the problem.

Collis suggests that there are five negotiation styles. They are:

Compete - a competitor seeks a win/lose outcome. I get what I want and you don't. Simply put, my aim is to beat you. I don't care what the fallout is as long as I get my objective.

Compromise - we reach a win/win outcome but it less than an optimal win/win outcome. We may both trade concessions.

Co-operate - we both achieve a win/win outcome. Ultimately a principled negotiator is seeking this outcome. It is the ideal for relationship selling where the preservation of the customer relationship is key.

Accommodate - this is a lose/win outcome where I give more than perhaps I should in order to get your business. I may resent having done so.

Avoid - lose/lose outcome where neither party is satisfied and the relationship will disintegrate very quickly. Either or both parties will withdraw from the relationship.

Before entering a negotiation choose your negotiating style. Different situations will call for different styles of negotiation so think through which may be appropriate for the circumstances. Before the negotiation starts make sure you know what you want. If all goes well what outcome do you seek? And it is also important for you to identify your best alternative should your ideal not be possible. Determine your negotiation range.

The shaded area represents the real negotiation range, eg \$440,000 to \$460,000.

Seller's asking price			480,000
Buyer will not pay more than	460,000		
Estimated worth		450,000	
Seller will not accept less than			440,000
Buyer's offer price	420,000		

Here is how you can use principled negotiation whilst preserving your customer relationships, achieving a win/win outcome and maintaining your own integrity.

1. Separate people from the problem.

Put yourself in the other person's shoes. Take the time to listen to, and fully understand, their needs. And take the time to fully understand your own needs too. It really is your responsibility to openly communicate your needs to them. If your customer shares your desire to negotiate a win/win outcome then they will be receptive to your needs.

2. Be soft on the person and hard on the issue.

Take time to actively listen to them and empathise with their feelings. Seek to understand their problems and empathise with their feelings. Remember you cannot understand feelings, you can only empathise with them. This is the most common mistake that I come across in personal coaching. When someone says "I am angry", don't respond with "I understand" but rather explore what they feel and how they express it.

3. Listen is learning.

When you are listening you are learning. The objective of a good negotiator is to listen and lead your customer to speak. In order to reach a win/win you must share two-way communication. If this is not present, ask yourself what negotiation style the other party has adopted. If they are competing with you, question whether the relationship is one you want to persevere with.

4. Opinion and response.

Talk about yourself, the problem and how it impacts you rather than what they did. Rather than "You broke your word" say "I feel let down." Your feelings are your feelings. They are not grounds for debate.

5. Trade concessions.

Never give concessions without receiving something in return. If you are willing to trade then say "I'll extend your payment terms by 30 days, and in return, I want an exclusive supply agreement with your company for twelve months."

6. Ask open questions.

You will be in a stronger negotiating position if you get them to open the negotiation. It gives you an opportunity to respond to their opening position. Ask, "What is it that you would like to achieve from this meeting?"

Negotiating is a skill, and like all skills, it can be learned. The opportunities for you to practice your negotiations skill are limitless. So, I encourage you read, learn and practice the skill of negotiation



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