

Preparation Is Key to Negotiation Success

Preparation is the magic ingredient to all successful negotiations. When negotiating, you have to be prepared for anything. You need to know the ins and outs, the intricacies of both sides. The more you prepare, the more knowledge you have, and the better you will do. Skills, techniques and personality will never replace the concrete knowledge that can and will only be gleaned by doing your research and homework before the negotiation process begins. The bottom line is that the negotiator with the most knowledge is the most prepared, and that is the type of negotiator who will succeed. The bottom line is, your negotiation success is determined by your preparation.

Before the negotiation begins, you must determine what your needs and interests are. In other words, you must first decide what you want out of the negotiation. Then you must prioritize those needs and wants. The heat of the moment is *not* the time when you should step back and try to figure out which option you're really pushing for. For example, let's say you have just opened your business. You've submitted a bid to a very large corporate entity and have been invited in for a meeting concerning your bid. You are excited because landing a client like this one will bring great credibility to your new company. You decide beforehand that your greatest needs are to establish more credibility and to increase name recognition. While in the meeting, your prospective client states that if you bring your bid down, you will get his business. The figure he gives you will only allow you to break even, but you recognize the significant benefit of having this client on your reference list. Hence, you lower your price. Going into the meeting, making money was absolutely one of your interests; however, it was not your top priority. You were prepared to handle this situation because you had determined in advance what your number one objective was. By sticking to your plan instead of crumbling under the pressure or emotion of the moment, you have wisely created a way to strengthen your company's credibility and to secure a flow of work in the future.

After you have a concrete idea of what you want to get out of the negotiation, you need to examine the needs and wants of the other party. Put yourself in their moccasins and ask, "What would my needs be if I were in their position?" Besides thinking the negotiation

process through on your own, it is strongly advised that you simply ask what your prospects' needs are. Decrease your margin of error by eliminating guesswork. To be a powerful negotiator is to be exact in addressing all angles of the issue. This step is crucial if you ever hope to reach mutually satisfactory agreements. Your prospects' side of the issue needs to bear as much weight in your mind as your side does. Certainly, a demonstrated interest in and knowledge of their perspective, their circumstances and their objectives will get you much farther than a strictly one-sided presentation. Be assured that one-sidedness will only be seen as shortsightedness. How can your prospects collaborate with you if they aren't confident in your ability to see, understand and appreciate their primary objective and goals?

After having thoroughly accounted for the key issues on both sides, it is time to prepare a number of different proposals on how you see the two sides coming together. This is a time where it's important to think creatively. Don't just divide the pie evenly. Rather, seek out ways to expand the pie. What I mean is that you must be prepared to not only fulfill each party's bottom line but also to increase the benefits to all involved. Placing yourself in a position to "over-deliver" is never a bad thing; it will only be met by pleasant surprise. Better still, it is then often followed by cooperation.

After you have devised a few creative alternatives that could possibly satisfy both parties' needs, you are ready to narrow down your list of options. Which agreement is most beneficial and fair to both parties? Establishing a standard of fairness is often a very difficult process for negotiators. That's because each side has their own subjective perception of fairness. In such cases, it is recommended that an independent standard be sought. In other words, what is accepted in the industry? When preparing and doing your homework, look at industry standards, market rates, cost analyses and other neutral indicators that will enable you to establish a standard of fairness during your negotiation process.

After all these exhaustive steps, you might be thinking that in order to come up with the perfect plan, we're now ready for you to charge in there and knock 'em dead—wrong!

No matter how brilliant your projections seem, you must set up three alternative negotiation plans. Too often, people go into negotiations with only one alternative in mind. When that alternative is not acceptable to the other party, then the situation really gets sticky. Since the negotiator didn't prepare any other options, s/he is stranded with nowhere to go. Like I mentioned previously, the emotion of the moment is not the time when you want to be making weighty decisions. To prevent yourself from being backed into a corner, be sure to have alternative agreements in mind that will still meet your most important needs, wants and goals.

Equally crucial to the preceding steps is the final negotiation step of *mental rehearsal*. A wise and skillful negotiator will *never* enter into a negotiation unrehearsed. It is of prime importance that you have practiced all the likely scenarios you will encounter and that you are prepared to handle any possible turns with skill and finesse. Don't underestimate the power of visualization. Play out the entire meeting from beginning to end. What could happen? What is your opponent's initial perception of you and your offer? What roadblocks could you hit? Can you articulate your opponent's view and concern about the issues at hand? What are your opponent's needs? What has happened in the past? What will your opponent ask for? Will your personalities clash? When you are prepared for negotiation, your stress and fear will subside. You might feel some pressure, but you will not lose control. Going through a pre-negotiation process creates a map for you to follow in any type of terrain you might encounter. Armed with advance preparation, you will overcome any potential obstacles placed in your path. Find a way for all sides to achieve their goals, feel satisfied with the negotiation and find a resolution.

Now, if you find yourself not being able to reach your needs, and if there still seems to be a considerable amount of distance between you and the other party, do yourself a favor; get up and leave. Too often, less experienced negotiators continue to negotiate after this point has been reached. If they blindly forge forward, they may reach an agreement but later realize that not even one of their needs were met.

Be careful that you don't commit any of the following common negotiation errors:

- ❑ Being politically incorrect
- ❑ Showing disrespect
- ❑ Using any form of miscommunication
- ❑ Using the wrong word choice
- ❑ Having an irritating style
- ❑ Having no or a poor agenda
- ❑ Personalizing the negotiation
- ❑ Revealing too much information
- ❑ Committing cultural blunders
- ❑ Becoming emotionally involved
- ❑ Desiring to destroy
- ❑ Exhibiting perceived cockiness

Always focus on the following behaviors:

- ❑ Be firm.
- ❑ Use silence.
- ❑ Stay focused and perceptive.
- ❑ Be attentive.
- ❑ Don't rush the negotiation.
- ❑ Have plenty of energy.
- ❑ Know that it is OK to lose a few battles to win the war.
- ❑ Avoid unnecessary humor.
- ❑ Get plenty of sleep.