

Introduction

Negotiation is an art that requires both study and practice. However there are some basic guidelines that can help you when negotiating. Here are the first six of twelve basic principles that, if followed, will help you negotiate well.

Credit: <http://www.abcarticledirectory.com/Article/The-Twelve-Basic-Principles-Of-Negotiation---Numbers-1-to-6/31206>

1. Know when to negotiate & when to walk away

Sometimes people walk away too soon not realizing that they are still in a negotiation. Example: a person makes an offer to buy a house and the owner rejects their offer. Just because the owner said no it doesn't mean that the matter has ended it is the start of a negotiation on price.

On the other hand some people keep negotiating after the show is over. They haven't learned the difference between the "No" that means "I'm open to further offers" and the "No" that means "I'm no longer interested".

Walking away can be used as a ploy during a negotiation. This can be very effective when you are more willing to walk away from the negotiation than the other party is.

2. Negotiate for outcome not ego

A skilled negotiator has learned how to manipulate the emotional state of the other party. If you find yourself negotiating on a point of ego this is usually a sign that you are losing.

3. Negotiate issues not personalities

Often time the person you are negotiating with can be annoying, frustrating or even downright rude. This may be a ploy on their part or it may be their genuine personality. Either way it is a distraction that you can't afford to fall into. Keep your focus on the issues at hand and leave their personality out of it.

4. Know what is relevant & what is not

Know and remember what is important to you. This will help you get what you want and it will also guide you as to what concessions you can make. Of course it is often a part of negotiating strategy to have the other person believing that your important issues are the irrelevant ones and your irrelevant issues are the important ones. Try to gauge what is actually important to the other party and what is not. Knowing the true value of their issues gives you leveraging power.

5. Talk in terms of benefits rather than features

Often the other person will try to dazzle you with features that, at the end of the day, have no true benefit to you. Keeping your mind focused on your benefits will help you from being distracted by such ploys. Knowing what the real benefits are for the other person helps you promote your desired outcome with more power.

6. Ask questions rather than make statements

The person asking the question is the person who is leading the direction of the conversation. However, when you make a statement it can leave you open to criticism.

Rather than saying "Our software program will really enhance your bottom line profits" which opens you to be challenged, you could ask "would you be interested in a software solution that will enhance your bottom line profits?" Notice that the question implies the same thing as the statement but with less temptation to challenge it. Also you will most likely get the simple response of "yes" to the question. This "yes" subconsciously accepts the implied message.

7. Use your strengths & manage your weaknesses

In every negotiation each party has strengths and weaknesses. If one party held all the cards then it would not be a negotiation, they would simply be dictating the terms. Be aware of your strengths and how you can best use them and be aware of your weaknesses and know how to manage them. Part of managing your weaknesses is to disguise them as strengths wherever possible.

Strength in a negotiation comes from things like willingness to walk away, low perceived need, no or low time constraints or having something that the other party needs but can't easily get elsewhere. Weakness comes from strong need for what the other party is offering, short time constraints, or low need on the part of the other party.

8. Respond rather than react

A reaction implies that it is a reflex and doesn't involve thought or strategy. Skilled negotiators try to get their opponents reacting. Responding on the other hand is keeping your control and not doing anything that is not a thoughtful application of your strategy. If you have the habit of reacting then it is very easy for a skilled negotiator to manipulate you during the negotiation.

9. Attract rather than chase

It is very difficult to win a negotiation if you are doing the chasing.

The idea is to make your proposals in such a way that they draw the other party toward your desired result. This is achieved by a combination of having a good offer and presenting it with good negotiation skills.

10. Break complicated issues into simple elements

Break complicated issues into simple elements and then negotiate the elements. The human brain can only process so much information in one bite. If you are involved in a complex negotiation it will be better to break it down into several components and negotiate them as separate issues.

Some negotiators have, as a strength, the ability to mentally hold large amounts of information and they will try to keep the negotiation complicated. If this is not your strength then don't fall into this trap.

11. Know when to negotiate concepts

Know when to negotiate concepts and when to negotiate details

There are times when the details are extremely important but there are other times when they are just a distraction. Develop the skill of being able to see the difference. It also may be a good strategy in many negotiations to gain agreement on a general concept first and then move on to negotiate the details.

12. Have a system to look after the details

Negotiations by their nature are generally verbal. Once the negotiation is over it is important to get the agreement into writing and signed as soon as possible.

The simplest way to achieve this is to already have a system in place, before the negotiation even starts. For a salesman this could be accomplished by having an official order form. For a complicated big business negotiation it may mean handing over to your legal department.

Keep in mind that the longer the time between the negotiation and the signing of the formal agreement the more likely it will be that the negotiation will reopen.

