



Global Knowledge®

Expert Reference Series of White Papers

Introduction to
Negotiation:
A Primer for
“Getting to Yes”

Introduction to Negotiation: A Primer for “Getting to Yes”

Richard Frederick, Global Knowledge Instructor, PMP, MCP

Introduction

Negotiation is a dialogue intended to resolve disputes, to produce an agreement on courses of action, to bargain for individual or collective advantage, or to craft outcomes to satisfy various interests. It is the primary method of alternative dispute resolution.

There are many different ways to segment negotiation to gain a greater understanding of the essential parts.

This white paper focuses primarily on the negotiation process, different negotiation styles, and the various elements of communication that affect the outcome, including: Negotiation Communications, Constructive Questioning, Communication Obstacles (and overcoming those obstacles), Challenging Negotiation Situations and “Traps,” and, finally, completing Successful Negotiations, a.k.a. “Getting to Yes.”

When all is said and done, negotiation is the art and science of convincing the other party that your best outcome is good for them.

Negotiation Process

Negotiation is the process where two or more individuals offer and approve concessions to arrive at an accepted agreement. The negotiation process comprises steps you can take to achieve a productive and effective negotiation.

The negotiation process contains these five steps:

1. OPEN the negotiation positively.
2. PRESENT an agenda and budget time for each topic.
3. DISCUSS items on the agenda.
4. REVIEW the agreement.
5. CLOSE the negotiation on a positive note.

Open the Negotiation Positively

Open the negotiation by establishing a positive environment. Welcome the other party and thank them for participating. Communicate to the other party the ideal conclusion for the negotiation, and communicate assurance that a mutually beneficial negotiation is going to happen.

Present an Agenda and Budget Time for Each Topic

Inform the other party that you have created an agenda for the negotiation, and confirm with the other party if they could review it. Once it is confirmed that the agenda is acceptable, and then ask the other party to help budget time for each item which needs to be discussed.

Discuss Items on the Agenda

Discuss the items on the agenda following the time line that was established. If there is difficulty agreeing on the time limits, then ask if you can revisit the item later. If the other party appears hesitant, then suggest a quick break to allow either side a moment to contemplate the matter.

Review the Agreement

When you and the other party are about to agree, ask for a couple of minutes to examine what has happened. This step is essential, because it enables you to step back from the negotiation and clear your thoughts. Additionally, it helps you to evaluate the terms that have been offered so that your decision isn't impulsive.

Close the Negotiation Positively

After discussing the items on the agenda, close the negotiation on a positive note. Even if you are unable to reach an agreement, it is important to maintain a good relationship. Stay clear of leaving any unresolved negativity that could make the other party hesitant to carry out future negotiations with you or your organization. Thank the other party for engaging in the negotiation and, if required, inform them that you will be in contact to arrange future discussions.

Negotiation Styles

Negotiation styles are about how people interact with other people during a negotiation. For instance, one person's style could be accommodating while another person might be competitive.

When the participants' strengths work effectively together, the negotiation process can be efficient and effective for both parties. Alternately, when the negotiation styles of the parties involved in the negotiation clash, the process can be difficult, and either of the parties may depart from the negotiation process feeling disappointed.

Every negotiation style consists of weaknesses and strengths that can limit or boost the negotiation process; as a result, a negotiation isn't just a result of the individual style of each participant but also by the combination of styles of everyone active in the negotiation.

The list below comprises five of the major negotiation styles.

Accommodating

The accommodating style is a passive model of negotiation. This model is most effective whenever targets are more crucial to the other party than they are to you. The accommodating style enables you to briefly forfeit your position for the chance to accomplish future favors.

Whenever you select the accommodating style, you would rather develop a good relationship with the other party than accomplish all of your targets. When you believe your position is weaker compared to the other party's, then accommodation can potentially help you reach a short-term resolution. However, you should not consider accommodation when the target item holds higher importance for you or when you feel the other party is behaving untruthfully, controlling, or deceitful. Letting the other party dominate can cause you dissatisfaction and future clashes with the other party. Any time you see the other party behaving inappropriately, work to talk through disparities to assure that both parties appreciate each others point of view.

Avoidance

The avoidance style is another passive style of negotiation. Its lose-lose positioning inhibits useful communication between the negotiating parties. Avoidance can cause feelings of dissatisfaction and anxiety, in addition to limiting personal and organizational progression of longer-term relationships, given that it can impair the negotiation process.

Avoidance is suitable as long as one or both parties see the target as insignificant. Avoiding an issue may indicate too little consideration of or inability to control conflict on your behalf. If an issue demands prompt attention, then avoidance can generate feelings of dissatisfaction from the other party. It's best not to employ the avoidance style when an issue has fundamental importance for you or your organization.

Compromising

The compromising style employs cooperation to produce an agreement. The compromising style works when both parties need to accomplish mutually exclusive objectives, and it is impossible to fully meet the needs of both parties. Negotiators with this style concentrate on separating needs to benefit both parties equally.

Compromise is important anytime a comprehensive agreement will not be achieved. By compromising, you concede minor goals to attain major goals that are more useful. Generally in compromise, parties have a similar level of power or positional strength. Employ compromise to reduce conflict and begin a working rapport.

Collaborative

The collaborative style enables long-term relationships that offer the highest level of fulfillment for all parties. It is best used whenever collaboration is needed to eliminate an obstacle and resources can be joined together to build and deploy mutually effective solutions. A collaborative style entails both sides working as partners to arrive at common aims. Even though collaboration is an extremely time-consuming negotiation style, it helps both parties comprehend the common aims from differing perspectives. Collaboration boosts creativity and problem solving, additionally it encourages trust among the participants.

Each party needs to be authentically interested in a mutually advantageous agreement. Collaboration should not be employed to deal with minor objectives or when immediate consideration is required. If either party is resistant to employing problem-solving approaches, then other negotiation styles can be used.

The collaborative style is beneficial when enough time exists for comprehensive analysis around the situation and discussion of the desired goals. When you and the other party are determined to work on a mutual agreement, try brainstorming to develop a number of concepts around the best outcome.

Competitive

The competitive style is an aggressive form of negotiation. The competitive style often is utilized wherever one party is superior in authority, information, or expertise. The competitive style is unsuitable whenever the negotiation calls for a number of complex targets or when the targets are less critical to each of the parties. Its win-lose positioning is dependent mainly on dominance and authority, so one party benefits at the other party's expense. Practices such as ultimatums, threats, and intimidation are likely to be used as part of the competitive style. These practices contribute to hostility and cynicism, and the competitive style fails to achieve long-lasting benefits or relationships.

You can employ the competitive style whenever a fast conclusion is required or your target is limited. You can also choose to employ a competitive style where the other party's final choice effectively causes negative outcomes for you or your organization. The competitive style should probably be avoided when both parties display equal power.

Negotiation Communications

Communication has an immediate impact on the outcome of a negotiation. If one side of the negotiation doesn't believe they're being heard, this can result in an absence of trust in the second party. Alternatively, when both sides understand each other, then it is very likely that the agreement will happen.

The list below includes five tips that will boost your communication skills and assist in effective communication throughout a negotiation.

Listen to the Other Party

The chief consideration for effective communication is to listen closely to the other party. Demonstrate to the second party that you are hearing them by nodding your head at the key points, pausing before you reply to their comments, and restating the message to verify your understanding.

Maintain Visual Contact

Maintaining a visual connection with the other party is important throughout a negotiation. Keeping visual contact allows for focusing on those things the other party states. Doing this shows that you are attentive and that you understand the other party's point of view. When visual contact is avoided; uncertainty, discomfort, or displeasure are suggested by you. Having said that, you should not stare at the other party non-stop; this may intimidate them.

Eliminate Jargon

Jargon pertains to keywords, abbreviations, and phrases that have unique meanings within an industry or line of business and can easily sound like rubbish out of context. When both parties comprehend the jargon, then making use of it can enhance a favorable and positive mood; conversely, when the other party does not understand it, then frustration and intimidation can occur.

Use an Appropriate Tone and Vocabulary

The vocabulary and the tone you choose influence the conversation. If you appear aggressive or cynical, the environment you produce will be adverse as well as confrontational. Dynamic words convey self-confidence, intellect, and also accomplishment, but should be used sparingly, because they can intimidate the other party. Simultaneously, stay clear of words that are overly accommodating since this tends to signal powerlessness.

Be Specific

When speaking to the other party, you should be specific so that your message is obvious. While you might be tempted into acting vague to obtain data from the other party, they will probably foresee your approach and provide obscure responses in turn. This might hold up the negotiation and result in doubt between you and the other party.

Constructive Questioning

Asking relevant questions throughout the negotiation will provide many advantages. First, this shows the other party that you are focused on their goals. Second, this exposes the obstacles to agreement. Questions are also a friendly way for disagreeing with the other party along with "calling their bluff." Furthermore, questions enable you to sort out the other party's conditions.

There are three types of questions which have a constructive impact upon the results of a negotiation.

Bridge Questions

Bridge questions are intended to generate more data from the other party. For example, the other party may decline to provide a concession and not offer any reason for refusing. This would let you ask them why they object to the concession.

Clarifying Questions

Clarifying questions help you ensure that you comprehend the other party's conditions. For instance, if the other party asks for an extended service contract, then you might ask for details about how long they want the contract extended.

Strategy Questions

Strategy questions let you disagree or call the other party's bluff. As an illustration, if the other party estimates an amount you are sure is overpriced, then you could call for paperwork that validates the accuracy of their claim as a means of calling their bluff.

Communication Obstacles

There are several possible obstacles to effective communication. Obstacles that can lead to an unsuccessful negotiation include education, anxiety about a negative reaction, and stress

Education

Disparities in education levels can make conversation challenging and trigger animosity. Throughout a negotiation, it is essential to connect personally without giving up professionalism. Eliminate jargon and/or using patronizing or daunting words.

Anxiety about a Negative Reaction

Both parties may be tempted to hold back critical data if either party expects that the other party will respond negatively. And yet, if the data is critical, the other party could be more aggravated when they eventually learn about it and realize that it was initially withheld. Eliminate this from happening by providing detailed information.

Stress

Individuals under stress are most likely to convey unintentionally vague messages. Stress levels also affect the capacity of the listener to understand the message correctly. Because negotiation can be stressful, both parties should try to make their messages as clear as possible.

Overcoming Obstacles

When you see that communicating effectively with the other party is not going well, then you can make an effort to resolve the miscommunication by utilizing the following approaches.

Be Truthful

Convey to the other party that you are not clear about what they have said. Sometimes there is a temptation to hide the fact that there is miscommunication. If this occurs, then you should not be reluctant to let the other party know that you do not understand and need clarification.

Paraphrase

Restate in your own words what the other party has said to let them know how you have interpreted their comments or requests. This allows the other party an opportunity to recognize that a misunderstanding has happened and provides them a chance to clarify their statements.

Challenging Negotiation Situations

Challenging negotiation situations need to be sorted out mindfully. Below are suggestions which can help you manage a challenging negotiation.

Request Paperwork Anytime You Suspect a Bluff

Whenever you believe that a bluff has occurred, request that the other party provide paperwork to support their claims. For example, if the other party states that prices have gone up, then request to see an updated price list.

Explain your Rationale if the Other Party Makes an Unfair Request

Whenever the other party has a demand or provides a concession that you believe is unfair, then politely decline to agree with their terms and explain to them why you think the request is unfair.

Stress the Need To Get Along

When the negotiation becomes challenging, then you should stress the need for both parties to get along. This sends a signal to the other party that you are ready and willing to hear their needs and concerns, and that you hope they would reciprocate the same courtesy.

Withholding Information

When trying to maintain a strategic position, you might need to briefly hold back key data from the other party. All the same, it's essential that you answer the other party's questions truthfully. It is okay to tell the other party that you cannot release the data at this time, but never lie. Doing so will result in the other party distrusting you when they discover that you have not been truthful.

Negotiation Traps

Throughout a difficult negotiation, it is tempting to react in a negative manner. Unfortunately, reacting negatively can have an adverse effect on the negotiating environment. The following are some of the "traps" to be aware of.

Trying To Intimidate the Other Party with Threats

Throughout a challenging negotiation, there are times when you may get overwhelmed and become tempted to threaten to leave. Unless you are actually prepared to leave, threatening to leave will work against you if the other party calls your bluff. This will result in a loss of respect and reduce your power going forward.

Letting your Emotions Take Control

Negotiations are emotionally intense for everyone involved. Each party understands that critical issues are dependent upon the outcome of the negotiating process. Letting your emotions take control overpowers your decision-making and reduces your ability to effectively communicate with the other side. Anger and resentment produce hostility and reduce your ability to focus on the objectives you need to accomplish. This can also lead to bad feelings and misunderstandings that may result in the other party losing respect if you instigate an emotional discussion.

Speaking with a Sarcastic Tone of Voice

Sarcasm is insulting and demonstrates your lack of respect for the other side. In turn, the other party might lose respect for you. Losing respect damages the relationship and the success of the negotiation.

Successful Negotiations (a.k.a. “Getting to Yes”)

A successful negotiation depends on several factors. The following list includes guidelines that will facilitate a successful negotiation.

Be Empathetic

Try to show empathy whenever the other party communicates a need or problem. Doing so demonstrates that you are interested in developing a mutually advantageous solution.

Be Flexible and Accept a Fair Split-the-Difference

While your objective is to achieve your goals during the negotiation, bear in mind that you might need to be accommodating and accept a fair split-the-difference. Crafting and keeping a relationship with the other party should also be a priority for you. If you are unwilling to agree to concessions during the negotiation, you could risk offending the other party.

Be Prepared

Before you begin a negotiation, you will need to do your research. Furthermore, you will want to plan the details for the negotiation, such as the facilities, the seating needs, and necessary equipment. Be sure to produce an agenda, as well as any other necessary paperwork.

Brainstorm Solutions

When you and the other party are not able to agree on a specific term, use the opportunity to brainstorm solutions. Encourage the other party to contribute their ideas. Remember to thank the other party for any ideas they contribute.

Clarify your Terms

Once you communicate your terms for agreement, be certain to clearly explain the terms with the other party so that they may thoroughly understand your expectations. Never assume that the other party is informed about the details or specifications. You wouldn't want the negotiation to be unsuccessful due to a misunderstanding.

Conclusion

This paper provide you with a high-level introduction to negotiation. Negotiation is a complex interchange between two parties who each have opposing objectives. Upon completion, you will probably think of things that you could or should have said. Don't fret. If you followed the above guidelines, you more than likely arrived at an acceptable result. And each time you enter a new negotiation, you'll do better.

Learn More

Learn more about how you can improve productivity, enhance efficiency, and sharpen your competitive edge. Check out the following Global Knowledge courses:

[Negotiating with Authority](#)

[Negotiating Skills for Project Managers](#)

For more information or to register, visit www.globalknowledge.com or call **1-800-COURSES** to speak with a sales representative.

Our courses and enhanced, hands-on labs and exercises offer practical skills and tips that you can immediately put to use. Our expert instructors draw upon their experiences to help you understand key concepts and how to apply them to your specific work situation. Choose from our more than 1,200 courses, delivered through Classrooms, e-Learning, and On-site sessions, to meet your IT and business training needs.

About the Author

A graduate of Southern Methodist University (SMU) Cox School of Business, a Project Management International (PMI®) certified Project Management Professional (PMP®), a Microsoft® Certified Professional (MCP) and Microsoft Solution Framework (MSF) Practitioner, Richard "Ric" Frederick gained his broad range of experience by treating problems as opportunities and creating innovative solutions.

Through work in government at the The Superconducting Super Collider laboratory, in education with Apple Computer, Inc., and in business with Assured Solutions (his own consulting company), Ric has learned and applied the necessary techniques to achieve both tactical and strategic goals.

His efforts to simplify complex issues and turn losing projects into winners have met with outstanding success. "Applying Project Management best practices," Ric stresses, "whether it's a simple project or management of the entire firm, are a must for every company wanting to become more competitive and increase profitability.

"You can't manage risk while stimulating growth without knowing and using the appropriate metrics." Ric, a distinguished speaker and teacher, periodically shares his expert knowledge of industry standard techniques in Program and Project Management Seminars. His insights reveal how to bring order and success to the often-times chaotic program management process.

Blending humor, an open communications style, and in-depth knowledge of the subject matter, he makes complex concepts understandable, links the seminar content to the demands of the real world, and inspires his audience to take what they've learned and make a difference in their businesses.