

Getting Better Results When You Negotiate

A funny thing happened on the way to the courtroom...

Early in my legal career I went to a pre-trial conference with my client and the other party and her solicitor. We decided to make an offer to settle the case. My client told me the amount of money he was prepared to pay. We went into the conference and I said to the Magistrate that we were prepared to offer a certain amount - and nominated a sum that was less than the figure my client had said he was prepared to pay. That was my negotiating strategy: offer them less and see if they'll take it - if not I still had some room to move.

A good plan, you might think. If only I'd thought to tell my client! As soon as I mentioned the (lower) figure, he leaned forward and said in a voice loud enough for everyone to hear, "Gary, I think we're prepared to go a bit higher than that..."

Beyond the basics of negotiation

Needless to say we ended up paying the higher amount. Lesson learnt: always tell your client what you are going to do!

But it got me thinking about how to be a better negotiator. We all negotiate everyday, over work and family issues. And we've all heard the basics - but what is it that makes a good negotiator?

What really works? What do good negotiators do that poor ones don't?

Characteristics of effective negotiators

The Huthwaite Research Group has conducted research into the behaviours of effective negotiators - and it confirms the effectiveness of a collaborative approach to negotiating: one which builds the relationship AND solves the problem at the same time. Here are some of their tips on how to be more effective each time you negotiate by taking a collaborative approach:

Avoid making immediate counter-proposals - take time to consider proposals put by the other person. You'll learn from the analysis, and will also build trust with the other person, who is then more likely to listen to your proposal.

Ask lots of questions - not only do you get useful information, it shows that you are interested to understand the other person's position.

Use summarising - regularly summarise what has been offered and what the issues are. This avoids misconceptions and strengthens the relationship by showing the extent of progress.

Think out loud - let the other person know what you are thinking: "Well, I suppose that makes sense, but on the other hand I'm concerned about this..." This helps to overcome the perception that you are just trying to sell something; instead, it is clear that you are actively considering the issues.

In summary: the most effective negotiators are better at what they do because they don't just aim to win, they aim to build the relationship as well.