



The Five Keys to an Effective Negotiation

Description

During a recent visit to the gym, BDU's CEO Lisa struck up a conversation with one of her workout buddies. The topic quickly turned to business, and Lisa's friend excitedly shared with her that, after much negotiation, he had just signed a large contract for his company. This was a huge deal for him, and he was very proud of the accomplishment.

Lisa posed the following question to him: "What do you think are the keys to a great negotiation?" Here's what he had to say:

1. **Establish from the start what you're willing to give away and what you're not.** Itemize these points with yourself before you begin negotiating and list out anything you are willing to give up, as well as how far you can realistically go on the points where you have some flexibility.
2. **Understand their needs and wants as well.** What do they care about? Who are the key players? What are their criteria for decision-making? It's important to know who the people are that you are negotiating with and a bit about their personality types, as well as what they are looking for and what they might be willing to bend on. It's also great to know what other alternatives they're exploring.
3. **Meet face to face to negotiate if possible.** It's much more effective to negotiate over an in-person meeting. You are able to then read their body language and take clues from how they are presenting themselves. Also, you can present yourself in the best possible way. Never let them see you sweat. Projecting confidence is key! Get a good night's sleep the night before. Wear nice clothing. Put on some good deodorant. Show up strong and ready for a discussion.
4. **Be prepared for objections.** Plan for what they might say and how you can counter with well thought out responses. Also, determine your worst and best case scenarios for how things might go and be prepared.
5. **Always start high, and try not to meet them more than halfway at a time.** Expect that they will meet you halfway, or even closer to you. Trade concessions, and wait for them to give a little before you give a little bit more. When you do offer a concession, make sure you use a conditional close so you get something in return for what you're giving ("If we can do this for you, then we are good to move forward!").

By utilizing these above tactics, Lisa's friend was able to land a large contract while building a good rapport and a great relationship with his new clients!

What do you think are the keys to a great negotiation? What might you add to Lisa's friend's list above? Let us know with a comment below!

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1. Articles and Blogs
2. resources

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