

THE NEGOTIATOR'S POCKETBOOK

By Patrick Forsyth

Drawings by Phil Hailstone

“A very practical book, not just giving you the key principles, but full of tips which can help you feel like an expert and negotiate with confidence.”

Robin Birn, Managing Director, Strategy, Research and Action Ltd

“A ready reminder of those skills and techniques any negotiator needs, presented in a witty and easy to read form.”

Anthony Skinner, OSM Ltd

CONTENTS



INTRODUCTION

1

Definition, communication overlap, two types of negotiation, uses of negotiation



FUNDAMENTALS OF NEGOTIATION

9

The core of the process, variables, power to influence, 4 rules, the point of balance, bridges of rapport, trading concessions, money matters



PREPARATION

25

Seven key stages, group negotiations, rehearsal



TEN TECHNIQUES TO KEEP AHEAD

39

Methods for use throughout the process



MANAGING THE PROCESS

51

Have and use a plan, create physical advantage, keep numbers down, communicate clearly, deliver, to and fro discussion



INTERPERSONAL BEHAVIOUR

61

The way you do things, manner, verbal signs, keeping control, behavioural 'ploys,' behavioural responses



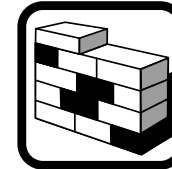
SUMMARY CHECKLISTS

101

1. principles of negotiation
2. tactics of negotiation
3. don'ts

FUNDAMENTALS OF NEGOTIATION

CORE OF THE PROCESS



Negotiation is the process of:

- Identifying
- Debating
- Arranging, and
- Agreeing to **terms**

The different elements are referred to, in the jargon of negotiation, as **variables** or **concessions**.

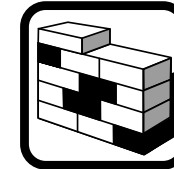
Negotiation demands the **trading** of concessions, whether these are tangible or intangible, major or minor.

Remember, everything is potentially negotiable.

FUNDAMENTALS OF NEGOTIATION

CORE OF THE PROCESS

WHAT EXACTLY ARE VARIABLES?



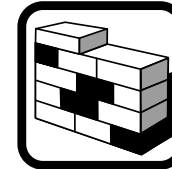
They will include a host of things, such as:

- price
- discount
- delivery
- payment terms
- people
- extras
- contracts
- terms
- documentation
- follow up
- service
- timing
- schedules
- urgency
- guarantees
- conditions
- place
- options

Always make sure you overlook nothing. What else would you add to this list?

FUNDAMENTALS OF NEGOTIATION

POWER TO INFLUENCE



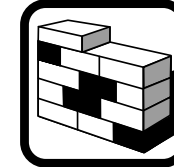
What gives a negotiator power to influence events?

- **Promise of reward**
You can provide something the other side wants, so they have to listen
- **Threat of punishment**
The apparent intention **not** to provide something the other side wants
- **Legitimacy**
Factual evidence: something that clearly weighs in the argument
- **Bogeys**
Something fielded specifically to give you an edge (such as sympathy)

Never underestimate or overestimate your power or theirs.

FUNDAMENTALS OF NEGOTIATION

POWER TO INFLUENCE



There is one additional source of power, one of major significance: **confidence**.

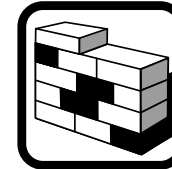
If others believe they are dealing with someone confident, competent, organised and efficient then they may be less certain of their own position.

Confidence comes from preparation, a structured approach, knowledge, and **belief**. Convince yourself of your confidence and you will convince them that you are a power to be reckoned with.

As the saying goes:
'If you can fake confidence,
then everything else is easy!'



FUNDAMENTALS OF NEGOTIATION



FOUR ESSENTIAL RULES

1. AIM HIGH

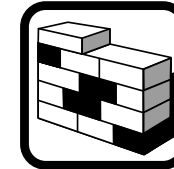
Aim for the best deal. You can always trade down but it is more difficult to trade up.

Now in your mind divide the variables into:

- **Musts:** what you feel you must take from the table if the deal is going to be acceptable to you
- **Ideals:** what you prefer to achieve to make the 'ideal' deal
- **Loss leaders:** those things you are prepared to trade in order to close a deal (even if you would prefer to keep them)

Be realistic. Negotiating is about trading concessions, so you MUST have items in all three categories.

FUNDAMENTALS OF NEGOTIATION



FOUR ESSENTIAL RULES

2. GET THE OTHER PERSON'S 'SHOPPING LIST'

The more you know about the other side the better you will do.

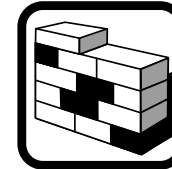
How much can you intelligently infer or anticipate about the views of the other side?

To find out and keep **both** sides of the discussion in mind, use:

- Preparation
- Prior knowledge
- Experience
- Questioning skills



FUNDAMENTALS OF NEGOTIATION



FOUR ESSENTIAL RULES

3. KEEP THE WHOLE PACKAGE IN MIND

Do not underestimate the complexity of negotiating.

It is the interrelationship between all the elements that makes negotiation work. You need to keep all the elements in mind **all the time**.

4. KEEP SEARCHING FOR VARIABLES

Remain flexible.

Do not wear your plan or initial intentions like a strait-jacket.

Everything is negotiable **and a few more things besides**. Good negotiators are quick on their feet.

About the Author

Patrick Forsyth

Patrick runs Touchstone Training & Consultancy, an independent firm specialising in marketing, management and communications skills training. He began his career in publishing and worked for a professional management institute before going into consultancy. He started his own firm in 1990. He has worked widely in many different industries and internationally. Writing is a key part of his work. He has more than fifty successful business books published including *Successful Time Management*, *Marketing Professional Services* and *Managing in the Discomfort Zone*, and his writing has been well reviewed: *hugely readable and practical* (in 'Professional Marketing' magazine). He also writes corporate publications. He has written several other pocketbooks: *Sales Excellence*, *Meetings*, *Managing Upwards*, and *Starting in Management*.

Contact

Touchstone Training & Consultancy, 28 Saltcote Maltings,
Maldon, Essex CM9 4QP United Kingdom.
patrick@touchstonetc.freeserve.co.uk



Published by:

Management Pocketbooks Ltd,
Laurel House, Station Approach,
Alresford, Hants S024 9JH UK

© Patrick Forsyth 1993, 2000.
All rights reserved.

First edition published 1993.
This edition published 2000.
Reprinted 2001, 2003, 2004.

ISBN: 1 870471 84 9

Design, typesetting and graphics
by **efex ltd.** Printed in UK

British Library Cataloguing-in-
Publication Data – a catalogue
record for this book is available
from the British Library.