

Strategies for a Win–Win Negotiation

With effective negotiating skills, SBOs can ensure everyone is a winner.

By Eldonna Lewis-Fernandez



Our professional and personal lives are riddled with daily negotiations—across a boardroom table, at the kitchen table, and everywhere in between.

What sets a successful negotiator apart from those who struggle to gain advantages? We can use numerous strategies to improve our chances of emerging victorious from a negotiation; paramount among them is asking just the right kinds of questions—those that will elicit answers that facilitate a win for everyone.

Seven Important Questions

With that in mind, here are seven must-ask questions to use in any negotiation to help ensure a desirable outcome:

1. Would you explain the reasons for your position?

If you can't understand the other party's reasoning through simple discussions, ask what the rationale is for what he or she is offering or seeking. Once you know the other party's thought process and justifications, rather than just the outcome he or she desires, you can better adjust your strategy and response to coincide with that position.

For instance, if the other party requests an advance payment that doesn't sit well with you, you might find out that the funds are needed at this juncture for necessary materials or other expenditures in order to put the arrangement in motion. Once you understand the logic behind requests and demands relating to a deal

structure, you are better able to control discussions and to create agreeable terms.

2. Is there any reason you can't? This is a great question to ask when it appears that the other party is avoiding or rejecting your offer for no legitimate reason, or because he or she has not thought it through well enough. Sometimes, people make shallow excuses for why they can't do something, or they shoot down an idea with shortsighted objections. When you ask this question, however, the other party may have a hard time coming up with legitimate reasons that effectively refute your argument or offer. When he or she *does* come up with a viable objection, you have the opportunity to address that objection directly and, you hope, overcome it with sound reasoning of your own.

3. Why do you think this is a fair and reasonable term or condition? A fair and reasonable term or condition, such as a price, proposal, or provision, can be defined as what's prudent under competitive market conditions given a reasonable knowledge of the marketplace. "Fair" implies a proper balance of conflicting or divided interests. "Reasonable" means not extreme or excessive. So a fair and reasonable term or condition is one that is balanced between all parties and that is somewhat moderate.

If you are concerned about the reasonableness of an offer, research some comparable situations. Then ask the other party this question to encourage him or her to define and defend the reasonableness of the requirement. Doing so will help reassure you that you are securing the best deal possible.

4. Why is that point or provision important? Understanding the significance of a specific point or provision is imperative and can even cause you to adjust your own position. The answer the other side provides will allow you to fine-tune your strategy using this key information about the party's critical priorities and values.

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Understanding, acknowledging, and validating the significance of the opposing party's requests help you recalibrate your approach, but it also creates more of a team atmosphere or affinity that builds a level of trust more quickly.

5. What part of my proposal concerns you most? Breaking down an offer into individual elements or points facilitates discussion rather than addressing one large chunk that, on the whole, is causing kickback. Discussing a proposal point by point, particularly the specific areas of utmost concern, allows the parties to come to fractional agreements that may not otherwise have been reached if they discussed the arrangement as

a whole. Triaging the most difficult deal points—from the most to least problematic for the other side—can get you past those sticking points and expedite the entire process.

6. What documentation or proof do you have to validate your position? You may have heard the saying "trust but verify." A trusting nature will not serve you well in a negotiation where decisions are based on certain claims. It's imperative to secure documentation to back up applicable assertions. And while cliché, if it sounds too good to be true, it probably is.

Skepticism has an important place in a negotiation; it will fuel your need for verification before officiating an agreement or signing on the dotted line. Once that ink is dry, undoing a deal, however disingenuous, is far more difficult and quite unpleasant.

7. What else do you think I should know? After you've asked all of the questions you intended but still want to ensure that you have thoroughly vetted the arrangement, asking this question may prompt the mention of other points that you haven't yet uncovered or considered. Something that you don't know might, once revealed, actually change your way of thinking, what you are seeking, or your strategy.

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People often don't ask such questions during a negotiation because they fear rejection, or they worry about how they will be perceived. Asking these seven powerful questions will help ensure that the agreement you reach not only is in your best interest but is fair and reasonable for everyone.

The negotiation process is a lot like a chess game, where strategy reigns supreme one thoughtful move at a time. Even when facing the most daunting of deals, regarding negotiation as a "game" may alleviate any apprehension you have and may give you the confidence to make power plays that will ultimately facilitate your desired result. Unlike strategy games like chess, however, the most effective deal is a win-win for everyone rather than a winner-loser result.

Seven Costly Mistakes

If you truly want to maximize your bargaining skills, steer clear of seven common mistakes that are made during a negotiation:

1. Lacking confidence. Many people think they need to show a certain behavior—such as being loud, bold, or brazen—to successfully negotiate a deal. Others think they need a lot of experience to be good negotiators. Usually, success simply takes tenacity and good old



preparation to ensure that you are equipped to promote mutually desirable terms, to anticipate objections, and to determine what motivators or “hot buttons” will resonate with the other party.

2. Thinking something is nonnegotiable. When you think like a negotiator, everything is negotiable. It’s a mind-set from which you have to operate in order to become not just a good negotiator, but a great one. When you decide that the terms for anything can be changed in your favor, a world of opportunity presents itself. Of course, as with most things in life, there will be rules to adhere to with each deal on the table. Those rules help keep discussions on track. However, even rules are negotiable. They can be modified if you propose an ethical, viable, and mutually beneficial alternative. Powerful negotiators are rule breakers.

3. Not building relationships first. This mistake is probably one of the biggest that people make with regard to negotiation and business in general. Perhaps you have attended a “networking” event and given out dozens of business cards without having a real conversation with anyone. It’s time to slow down and start really connecting with people—particularly those you might deal with later. Find out something about them and their lives. Get personal. Much useful information can be gleaned during casual conversation, including what they value in life, what motivates them, what annoys them, and what their ethics are. You might be surprised how well you can leverage what you learn through a genuine conversation with someone.

4. Not asking for what you want. There is one key truth in negotiations: you must ask for what you want. That sounds simple enough, but in practice it can be daunting. People naturally fear rejection, but in business, rejection is never personal—it merely signifies that you did not present a viable argument substantiating why you should get what you want. It’s the offer that is being rejected, not you. So keep your emotions in check and recalibrate your approach.

It is also important to understand that if you don’t ask, you don’t get, and the only way to master the art of rejection is to get rejected and keep asking. When negotiating, make asking for exactly what you want a priority. Most of the time, you either will receive what you want or will negotiate an acceptable alternative.

5. Talking too much. Talking too much is a surefire way to kill a deal. Never underestimate the power of silence. When discussing a deal, if you simply stop talking and get comfortable with the awkwardness of silence, your ability to win your argument, sell the product, or get a concession in the negotiation improves significantly.

6. Not documenting. The importance of getting the final agreement in writing cannot be stressed enough. The purpose of a written agreement or contract is to protect both sides and alleviate any ambiguity of terms. Myriad problems can occur when the terms of a deal are not put in writing, because what you “think” the other party said and what he or she “thinks” you said can be two different things. Documenting the agreement eliminates such perception problems and protects the interests of all parties involved.

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7. Signing without reading. Before you sign on the dotted line, it’s imperative that you read what you are signing—no matter how large the packet of materials. Even better, consult with a contracts attorney to review any documents that require a signature. Signing legal documents without reading them first can lead to results that are nothing short of disastrous. Read any agreement or contract in full to ensure that you are not confirming terms you will regret and cannot undo.

Getting in the Game

Whether you are a seasoned negotiator or someone who avoids wheeling and dealing altogether, you will vastly improve your results and will be motivated to “get in the game” by knowing the basics of negotiations. Whether seeking to gain advantages in your business or personal life, the art of “thinking like a negotiator” will profoundly affect your ability to reach your desired outcome.

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