

Skills 360 – Negotiations 2: Making the Deal

Discussion Questions

1. What do you find the most stressful part of negotiating?
2. Do you think you are good at bargaining? Why or why not?
3. Think of your last negotiation. How successful were you?

Vocabulary

To tackle: to try to deal with a problem or difficult situation; “After I tackle this pile of paperwork, I will begin preparing for next Wednesday’s meeting.”

Restraint: the ability to stay calm when you feel very angry; “Neil showed great restraint when the customer yelled at him for no good reason.”

To go in with guns blazing: to enter a situation aggressively or energetically; “Jonah went into the meeting with guns blazing and surprised everyone by criticizing the entire management team.”

Calm, cool, and collected: without anxiety and with full control of your emotions; “Desiree is known for being the most calm, cool, and collected customer service representative in the department.”

Validated: if you feel validated, you feel someone accepts and supports your opinion; “Ensure that unhappy clients feel validated, and it will be easier to find a solution they are happy with.”

Slim chances: if there are slim chances of something happening, it means it probably won’t happen; “The union was disappointed to hear that there are slim chances their candidate will be elected.”

Belligerent: verbally aggressive and insulting; “Our employees are not expected to accept belligerent or offensive treatment from staff or customers.”

Pressure tactics: the use of fear, aggression, or stress to achieve something, especially in sales; “I am tired of that sales rep’s pressure tactics, so I told the company to send someone else next time or we’d buy from the competition.”

To lose your cool: to become so angry that you lose control, often yelling or becoming violent; “Police officers are trained not to lose their cool in stressful situations.”

A give and take: a compromise or situation in which both parties give up certain demands; "We expect that there will be a lot of give and take going on in the contract renewal meetings."

To divulge: to give information that is normally kept secret; "Staff are not allowed to divulge personal phone numbers or email addresses to customers."

To be in talks with someone: to be actively negotiating with someone; "We are in talks with the biggest watch manufacturer in the country."

To be hung up on something: focusing too much on one, often unimportant, aspect of something; "Hugo didn't finish the progress report on time because he got hung up on formatting the document."

To get stuck on something: unable to move on to a new topic or to new position; "The meeting was not very productive because the conversations became stuck on unimportant details."

Terms: the important points that are discussed in a contract or negotiation; "If you agree to all our terms, we will give you an 8% discount on your first purchase."

Concessions: the requirements someone gives up or allows the other party to have in negotiation; "I am not willing to make any concessions on budget, but we can talk about the length of the contract some more."

Price tag: the overall cost of a project or item; "The price tag is just too high for the average person."

Heading: to be going somewhere; "Frank Hebert is heading over to our New England office for the next two years."

No skin off one's back: if something is "no skin off one's back," it means it is not a problem to give it up or let it happen; "It's no skin off my back if you decide to leave early today."

To be desperate: wanting or needing something very much; "Colleen was desperate to hire more staff because sales had doubled over the previous two months."

To soften: to become more flexible or less demanding; "After three long weeks of negotiation, management softened their position on the issue of wage increases."

Transcript

Welcome back to the Skills 360 podcast for the second part of our look at getting the most out of your negotiations. I'm your host Tim Simmons and today we're going to [tackle](#) the actual negotiation. What should you be thinking about and saying when you're sitting down at the table working on a deal?

Let's start with the idea of control and [restraint](#). And here I'm talking about controlling *yourself*. You might want to [go in with guns blazing](#) and overpower the other party with a show of strength. But that is usually the wrong thing to do. You might scare them right out of the room. Enter the negotiations [calm, cool, and collected](#). Like I said in the last episode, treat it as a business discussion. So discuss, don't attack.

Now, a wise man once said 'we have two ears and one mouth and we should use them in those proportions'. In other words: listen more than you speak. When you listen, you get information. And the more information you have, the better your position. Listening also makes the other party feel [validated](#). And that's important, because if they feel they are not being heard, you have [slimmer chances](#) of success.

Of course, the other party might not have listened to this podcast. They might be [belligerent](#) or have poor listening skills. They might use fear or [pressure tactics](#). But remember, if you [lose your cool](#) in the face of these methods, it means they work. So continue to show restraint and resist emotional responses. This is business, and you shouldn't take things personally, even when it *feels* personal.

Okay, so that's all about control and restraint. Now how can you deal with the actual [give and take](#) of a negotiation? Well, I've got a few tips for you. First of all, when you talk about money, don't be the first to give a number. You might miss out on a sweet deal if you [divulge](#) too much information. For example, maybe your company designs websites and you're [in talks with](#) a big company about a project. Their budget might be much bigger than what you usually charge. If you learn that, you stand to gain a lot.

But you also need to remember not to get too [hung up on](#) money. Price might be an important point, maybe even the most important point to you, but it's never the only one. Some negotiations [get stuck on](#) the issue and never move past it. There could be a great deal possible for both parties but they don't even realize it because they're not talking about other [terms](#).

Negotiations are all about [concessions](#). You get some, and you give some away. And hopefully you get more than you give. So you should always be looking for the chance to gain concessions. Never give anything away for free! If the other party says "oh, we need this faster than the three months you propose," then you can say "well, that will come with a higher [price tag](#)." And when you *make* concessions, try to find ones that are easy for you but very valuable to the other party. For example, maybe a client wants fast delivery on an order. You already have a half-full delivery truck [heading](#) their way, so it's [no skin off your back](#). But you don't tell them that. You make the concession and ask for something valuable in return.

I mentioned that some negotiations get stuck. That's okay. It happens. And when it does, don't be **desperate**. According to some experts, the key to successful negotiating is the willingness to walk away. If you *need* a deal, you'll get a bad one. If you are prepared to *not* make a deal, you may get a better one. When the other party knows that you can and might walk away, they may **soften** their position.

Great stuff. So remember what we've talked about: exercise restraint, don't take things personally, look beyond money, make sure you get more than you give, and be willing to walk away. With those things in mind, you're sure to walk out of your next negotiation with a smile on your face.

That's all for today. If you'd like to test yourself on what we've just covered, have a look at the myBEonline.com website. There you'll find a quiz about today's show as well as a complete transcript.

So long. And see you again soon!

Review

1. Tim advises entering a negotiation in which manner?
 - A Strong, decisive, and overpowering
 - B Restrained, subtle, and scary
 - C Calm, cool, and collected
 - D Energetic, outgoing, and positive

2. Why does Tim mention that we have two ears and one mouth?
 - A To warn against stating the obvious
 - B To emphasize the importance of listening
 - C To demonstrate the importance of careful thought
 - D To explain how most people negotiate

3. Which of the following does Tim say you should NOT do during a negotiation?
 - A Make the other party feel validated
 - B Focus solely on money
 - C Treat it as a business discussion
 - D Respond emotionally
 - E Get concessions when you make them
 - F Be desperate
 - G Use fear

4. When it comes to money, why does Tim say you should not be the first to give a number?
 - A Because it may be seen as aggressive
 - B Because it does not show control
 - C Because money is not the most important part of the negotiation
 - D Because you might miss out on a good deal

5. You are negotiating the sale of your business. The other party says that they want you to stay on longer to help out in the transition. What is the best way to respond?
 - A Ask for a larger downpayment
 - B Refuse their request and wait
 - C Agree immediately
 - D Say that you want to discuss the issue at a later time

6. According to some experts, the key to successful negotiation is the willingness to...
 - A ... accept a mediocre deal
 - B ... be flexible on price
 - C ... connect with the other party on a personal level
 - D ... walk away

Review Answers

1. Tim advises entering a negotiation in which manner?
C calm, cool, and collected
2. Why does Tim mention that we have two ears and one mouth?
B to emphasize the importance of listening
3. Which of the following does Tim say you should NOT do during a negotiation?
B focus solely on money
D respond emotionally
F be desperate
G use fear
4. When it comes to money, why does Tim say you should not be the first to give a number?
D because you might miss out on a good deal
5. You are negotiating the sale of your business. The other party says that they want you to stay on longer to help out in the transition. What is the best way to respond?
A ask for a larger downpayment
6. According to some experts, the key to successful negotiation is the willingness to...
D ... walk away

Online Practice

Click the "Launch" button to open the **online practice:**

