

Getting What You Want Using Proven Negotiation Strategies and Tactics; It's All About Process

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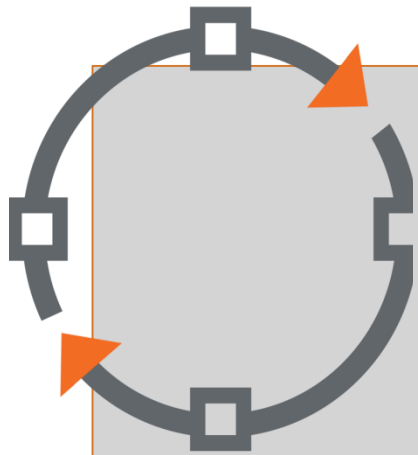
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Dealing with Hard-Bargaining Tactics

1. Extreme demands followed up by small, slow concessions.
2. Lack of authority to commit.
3. Take-it-or-leave-it non-negotiable issues and ultimatums.
4. Inviting unreciprocated offers; bargaining against yourself.
5. Escalating demands.
6. Personal insults.
7. Bluffing, puffing, and lying.
8. Threats and warnings.
9. Belittling your alternatives.
10. Good cop, bad cop.

Our Objective



PROCESS

Show You That Reliable
Negotiating Processes
Increase the Likelihood of
Getting What You Want

Why is Process Important?

Because everything is priced at an objective value, but sold at a subjective value.

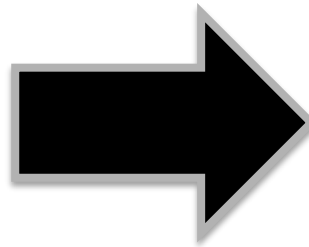
Process helps you transition from objective value to subjective value to reach a better outcome.



**Myth:
Experience is a
Great Teacher**

Research Shows That

Negotiating
skills are
learned and
improved by
training



Effective
negotiation is
not a game of
wits,
toughness, or
chance

What Limits Your Success?

Emotion (momentary subjective value)

Lack of Preparation - Ignorance of Objective Value and Subjective Value

Poor Questioning – Not Asking WHAT, WHEN, and HOW?

Poor Listening

Unwillingness to Share Information

Ego (the competitive urge to do better than the other side)

The Two Paths of Negotiation

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graph LR; A[The Two Paths of Negotiation] --- B[Distributive Win-Lose (The Car Purchase)]; A --- C[Integrative: Win-win or Better Mutual Gains Application];
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Distributive
Win-Lose
(The Car
Purchase)

Integrative:
Win-win or
Better Mutual
Gains
Application

****Pay attention-there are vastly different tactics used in distributive v. integrative situations. One uses open communications; the other is . . . liars dice!**

BATNA

Best alternative to a negotiated agreement

Also known as your "No Deal Option"

Your BATNA/NDO is the foundation of "NO"

All about strengths, weaknesses, and how to improve

Speaking the Language

Reservation Position

The walk away point

The value at which you are indifferent between “A Deal” and “No Deal”

You must know your NDO first. Always have a rock solid reservation position

Speaking the Language

Target

Your aspirations in
a negotiation

First step before
you begin
negotiation

Use research

Speaking the Language

ZOPA

Zone or Possible
Agreement

Overlap between
your reservation
position and that of
the other side

Speaking the Language

Anchor

Very common for
most first offers

Anchor one side of
the zone of possible
agreement

Powerful tool

***Speaking the
Language***

Managing Your Patterns of Concession

1.

Know the
midpoint rule

2.

Beware large
concessions!

3.

Demand
reciprocity

4.

Signal the end of
the road

Tactics for Playing the Traditional Game Well: Synthesis

1.

Anchor appropriately.
Make the first offer to
frame the issues

2.

Make sure the process is
perceived to be fair

3.

Manage your patterns of
concession

4.

Have a resolution if
negotiations break down

Real Biases

If they are at the table, they feel impelled to make a deal

You are not aspirational and don't make the first offer

You assume the ZOPA is too small

You are overly pessimistic about your strengths and weaknesses

You fear offending the other party

You assume you will be able to claim more than half of the ZOPA

You overestimate the other party's strengths and underestimate their weaknesses

You are afraid to share information

You focus on objective value and never find subjective value



What is *Integrative Negotiation*

Trading Issues the Parties Value Differently

Negotiation Process Integrate the Needs of Each Side to Find Common Ground

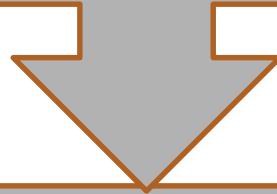
Trade off asymmetric issues

Agree on compatible issues

Compromise distributive issues

Take-Aways


Establish your goals, decipher the other side's needs and develop a negotiating strategy.




Set your reservation position, target, and BATNA prior to negotiation or you will pay the price with power outcomes.

Take-Aways

The “bargaining zone” (ZOPA) falls between the parties’ reservation position. Seek to find it.



There are three types of negotiating issues: “Compatible (true win-win), distributive (zero sum) and integrative (potential tradeoffs).” Most deals have all three. Identify them. Essential to success!



Sharing information, which is essential for value creating tradeoffs, presents risks, but produce the highest likelihood of a good deal.

Take-Aways

Complementary, (off setting) behavior often produces better results. Meet dominance with deference and vice versa.

The first offer is an “anchor”: It sets the starting point for the negotiation. Consider making the first offer!

Be aspirational!

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THANK YOU!