

NEGOTIATING without all the hassle

Recognizing the Difference Between Negotiating and Haggling

A recent cartoon on Nickelodeon portrayed two “Rug Rats” playing “Haggle.” One was the store owner, the other was the customer. The customer wanted to buy a toy. “The price is \$10,” said the owner. The customer gave him \$10. The owner gave it back and said, “No, you’re supposed to haggle. Ask me to sell it to you for less. It’s overpriced at \$10!” A comment on our society and expectations?

An article on negotiations in another meetings publication offered information on how both sides sometimes pad the numbers. A salesperson might quote a rate higher so there is room for negotiation. This and other tactics are used between meeting planners and suppliers. Perhaps we have come to love the game “Haggle” so much that we have lost sight of the value of straight talk, setting accurate prices and paying what an item is worth. Paying the lowest possible price at anyone’s expense has become the rule of the day.

Why do we feel the need to play negotiation games? The result of years of merchant/haggler interactions is a lack of trust on both sides. We have created an us versus them environment. Suppliers see meeting planners on one extreme as wanting something for nothing. Planners see suppliers on the other extreme as greedy and overpriced. Adversarial relationships seldom result in a win-win resolution. The upshot is usually two parties who have compromised, given up something they wanted, and now resent it. This resentment results in negative comments to others in the industry and a loss of future business. The score in the end? Lose-lose.

Granted, this is not the outcome of all negotiation situations. It is, however, a condition in much of society today. Fear, mistrust and selfishness are the attitudes of the day in far too many negotiations.

Negotiation will always be a part of human interaction. Rarely does one’s needs and desires match perfectly with another’s ability or desire to provide them. What would happen if we simply approached a situation by telling the truth, asking for what we want and then being open to negotiation?

Consider how different it would be if the interaction began from a win-win perspective. The meeting planner calls a hotel and says, “I guarantee a minimum of 10 rooms. We may need a maximum of 25 per night for four nights. Our budget is \$35 per person per day for the meeting. We will have a minimum of 15 attendees and a maximum of 50. These are my dates. Can you do it within our budget?” This would be “telling the truth” and “asking for what you want.” The salesperson now has the opportunity to look at the numbers and offer the hotel’s best options within or as close to those parameters as possible or decline the business if it’s just not possible. The hotel and the meeting planner both stand clear on what they want. If the group really wants this hotel, the planner can begin exploring options, changing requirements or schedules with the cooperation of the supplier. This can be done since the planner knows all along the supplier will continue to offer the best options in response to the planner’s direct and honest requests. This relationship is bound for success. Even if the planner cannot use the facility because of budget restrictions, this planner will speak well

of the cooperation and honesty of the salesperson. The praise may even possibly inspire business from other planners.

I can hear planners now, “How can I be sure the hotel won’t charge me \$85 for a \$75 room if I tell them that’s how much I have to spend?” Or the hotelier, “What is to keep them from ‘nickel and dime-ing’ me to death with little extra requests?”

A friend told me the story of selling a piece of real estate. He told the buyers that his bottom line price was \$164,000 and nonnegotiable. They came back with an offer of \$150,000. He told them, “No sale. You didn’t listen to me. The price is \$164,000 - not negotiable.” He was ready to walk away from the deal. He was straight and honest with them up front, but they didn’t believe him and tried to negotiate anyway. They ended up buying the real estate for \$164,000.

One is never too young to learn how to see what is and is not negotiable. My daughter is none. Since she was very little, I would tell her what was negotiable and what was not. She has been taught to ask honestly and directly for what she wants. When I know there is no room for negotiation in discipline, boundaries or activities, I simply say to her, “It’s not negotiable.” She doesn’t bring it up or ask again. She knows she has the bottom line of the situation and responds accordingly.

Perhaps if the other person was approached, whether it is planner or supplier, with the initial information of “I’ve put together my needs and options. This is what I want. This is what is open to negotiation. I want to trust that you will give me your best options to meet my needs. I don’t want to play ‘haggle’ with you, but I do want to have clear and up front business with you,” it just might work.

It does work with the Saturn company. Saturn cars are sold under a “No haggle” policy. People who want Saturn cars know they pay the listed price and they know they are getting value

they can trust at a fair price. Saturn researched what people wanted in buying cars and “no negotiation” was near the top of the list. Trust seems to be the name of the game because when there is trust, prices are not inflated and no one is “nickel and dimed” to death. When there is trust, there is cooperation, success and long-lasting business relationships.

In Positive Power Plays (see below), I encourage direct, honest, clear communication with specific requests and answers in the negotiation process. A willingness for both parties to leave the interaction satisfied is also important. While there may be adjustments to the original requests and desires, there is not a sense of compromise. In our society, compromise often means giving up or trading off reluctantly - “Well, all right, if I have to, I guess I can,,,,,” Compromise of this kind always leaves us dissatisfied and can lead to resentment and revenge (sometimes overt and sometimes subtle sabotage). It is important to know your acceptable bottom line and stick to it so you don’t sell yourself out in the negotiation or hurt yourself or others later. In fact, compromise, the verb, is defined as “endangering the reputation of.” We need to go back to its root form which is “a mutual promise.” If the compromise reached is one with which both parties are satisfied and they mutually promise to keep their part of the agreement, then relationships are nurtured instead of endangered.

More than any other factors involved in creating successful negotiations are the basics of honesty and integrity. People need to be able to trust that what a person says will match the intention and then the results. Combine that with a sincere desire for a win-win solution and cooperative communication and no one will lose. A healthy, long-term business relationship will then be established.

Copyright 1985; 2001, All Rights Reserved

PATRICIA CLASON has been a professional speaker, trainer, consultant and writer for over twenty-five years. She is now the Director of the Center for Creative Learning which offers programs for personal and professional development at offices in Milwaukee and Madison, and Detroit. She has traveled across the continent doing over 3,000 presentations for corporations, associations, government agencies and non-profit organizations since 1975. Patricia has written many articles, training programs and personal growth seminars and has been a sought-after guest for radio and television.

The focus of her work is on alternative methods of teaching and learning that produce high quality results. Her search for the best in the technology of human resource development has taken her as a student on many adventures through traditional and some not-so-traditional training programs.

Currently she is the owner of three businesses, the Center for Creative Learning, Great Ideas! Speakers Bureau and Accountability Coaching Associates. As a consultant and coach to other businesses, large and small, in the areas of start-up, marketing, and management skills, she guides people to manifesting their dreams. Her articles often appear in business and trade publications and her column Ask the Coach appears monthly in the Employment Times.

To keep all this together, and still have time for her family and herself, Patricia must truly practice what she teaches in the areas of communication, time management, people management and motivation.

OFFICES ADDRESS:

2437 N Booth St Milwaukee, WI 53212
Phone (414) 374-5433
Fax (414) 374-3997
Toll-free (800) 236-4692

**CENTER FOR CREATIVE LEARNING
CONFERENCE CENTER**

4650 N Port Washington Rd, Jefferson Bldg,
Milwaukee, WI 53212
Phone (414) 332-3656

POSITIVE POWER PLAYS

Skills for conflict resolution and negotiation

TELL THE TRUTH:

NOTES

1. Realize that there is no absolute truth about the circumstances—the problem is different positions of thinking and feeling = Your "truth" isn't their "truth" and doesn't have to be in order to resolve the problem.
2. See the situation from their position—understanding it doesn't necessarily mean you have to agree with it.
3. Use "I" statements instead of the generic "you"—Don't blame—that will prevent the other person from feeling attacked and attacking you in return.
4. Be aware of their feelings—don't react to emotional outbursts—Don't defend yourself. Take a deep breath and listen, then reflect back to them what you heard. **IMPORTANT** - keep reflecting back the message and ask them if that is what they meant. Be sure you understand the communication.
5. Speak to be understood. This is not an argument or debate unless you make it so.
6. Be willing to apologize. Apology does not mean admitting you were wrong or that you intended to hurt. Apology allows the other person to save face and it diffuses the emotions. Acknowledgement that there is a problem also diffuses emotion.
7. Attack the problem—Support the person. This sets up "cognitive dissonance" which disassociates the person from the problem.

ASK FOR WHAT YOU WANT:

8. Decide ahead of time what you want. Know your best option and state it as an "I want" rather than an "I don't want"—be specific—be able to describe what it would look like to have what you want
9. Be flexible - give yourself options
10. Look for mutual gains and win/win solution
11. Focus on the future and give up the past—AVOID "make wrongs" (If you hadn't done this stupid whatever, we wouldn't have this problem....)—AVOID "get evens" (sometimes we decide what we want based on a way to punish the other person)
12. Tell the problem before the solution - then the other person will listen instead of developing their objections or counterattack

POSITIVE POWER PLAYS *Skills for conflict resolution and negotiation*

ASK FOR WHAT YOU WANT continued

13. Acknowledge their interests and needs when stating your solution/wants
14. Decide on your bottom line and the least desirable option that is still acceptable to you - know your worst option
15. Request, don't demand

BE WILLING TO NEGOTIATE

1. Recognize that a successful relationship is more important than winning the battle or getting your way
2. Separate people from the problem - work together for a solution
3. Focus first on the desired result, rather than how to achieve it—figure out the "how" after you agree on the result
4. Explore options without judgment - be creative—be committed to mutual gain and win/win
5. Be open to reason and closed to threats
6. Determine objective criteria for making decisions
 - "I'll cut the cake, you choose your piece first"
 - agree on standards that are mutually acceptable
 - use a facilitator or objective third party if necessary
7. Invite criticism and advice, and then LISTEN to it—don't defend
8. Assume good will on their part
9. Questions generate answers—statements generate resistance
10. Be willing to give them what they want - that gives them room to feel that they can win, and makes them less defensive

Center for Creative Learning, LLC
Patricia Clason, RCC, Director
Accountability Coaching Associates
2437 N Booth Street, Milwaukee, WI 53212
(414) 374-3997 (800)236-4692 fax (414)374-3997
www.lightly.com patricia@lightly.com