BUSINESS AND LIFE LESSONS

NEGOTIATION – FAQs

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Regardless ___ what some people might have you think, there's no single right way to negotiate, because each situation is unique. But there are a few basic principles you can follow, as you will see from my answers ___ the following FAQs.

#1 I see a second-hand car that I really want to buy. What's the best way to get a good deal on it and not risk letting it get away?
The trick, as one famous negotiator put it is to 'Care, really care, but not that much.' In ___ words, imagine you are playing a game. You want to win but ___ the end of the day, it's just a game. Never get too emotionally attached ___ something you want. If you do, you're sure to overpay ___ it.

#2 I'm trying to negotiate with someone, but they just keep repeating their position without budging an inch. What should I do?
At the beginning of a negotiation, you should always outline your general position – what your global interests ___ – and get your negotiating partner to do the same. Within this framework you can both then explore the options. So if your partner keeps bullishly asserting a specific position, gently remind them ___ the general goals of the negotiation, so that you can move forward on the specifics in a more principled way.

#3 I always feel uncomfortable when someone makes an offer I can't agree to. I feel like I'm either going to make them resentful of me by saying 'no' ___ compromise myself by half-agreeing to it. How can I respond ___ a way that avoids these things?
The writer, Jack Chapman, says that silence is often the best strategy in this situation. Even if the other party makes a pretty reasonable offer, say, in a salary negotiation, staying quiet can help to draw them out further, prompting them to offer more or ___ least to justify their position. It also gives you an appearance of being cool and calm.

#4 Is there one killer question you can use in any negotiation?
There are two, actually. One is 'What are you really hoping to get out of this?' In a formal business negotiation, you may not actually ask this one directly, but you can ask indirectly, through a series of other questions. The other indispensable question is 'What if?' as in 'What if we doubled our order?' 'What if I took the washing machine now, rather ___ getting you to deliver it?' 'What if we went there next summer instead?' 'What if' forces ___ other person to really consider and perhaps re-evaluate their position.

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#5 Is there any difference between negotiating with loved ones and business partners?
The big difference is that your nearest and dearest know how to push your buttons – what you really care ___, what will make you angry and so on – and vice versa. The key thing is not to let either side use this knowledge to manipulate the other, because the relationship and the future of it are what are important here, not the immediate object of negotiation. A business relationship is unlikely to flounder over a single negotiation, as long ___ neither side resorts to unscrupulous tactics.

#6 I've read about people having certain body language signals that can give away their real feelings. Is this true?
It is true, but it works both ways. People send ___ sorts of signals with their bodies. If they fold their arms or cross their legs, for example, they could just be getting themselves more comfortable, but in a negotiation, more likely it's a sign that they are closing off – in other words that they didn't like something you suggested. Look out for inconsistencies in expression which betray someone's true feelings – a smiling mouth but unsmiling eyes – and certain micro-expressions – a momentary wince or a raised eyebrow. And try to avoid giving off any of these tell-tale signs yourself (easier said ___ done!).

SCENARIO

X bought a home cinema system (large screen, multiple speakers, controls, etc.) from a private seller, Y, for $2,000. It was six months old but new and unused and the retail price was $3,600. When X got the system home, he / she found the screen was too big for the room. In the meantime, X has found a more suitable one on sale in a shop for $1,800. So X goes back to Y to return the system and get his / her money back. Y spent three weeks and $50 advertising the system and does not want to take it back. As it was a private sale, Y is under no legal obligation to take it back. Negotiate a solution.