



Negotiations

General

- Do not negotiate unless you have to but if you must, remember that you will need to exercise both judgement and nerve.
- Do not think that you have to be macho to be an effective negotiator.
- If you aim high you will achieve more; conversely if you are able to lower the other person's expectations they are likely to ask for less.

Planning

- Ask yourself "what do we want out of this?" and if there is more than one objective prioritise them.
- Decide in advance what you feel is an acceptable range of outcomes i.e. know what your bottom line is but also be prepared to change your position if, during the negotiations, the circumstances change.
- Your opening position should be credible and realistic otherwise you run the risk of early deadlock.
- Understand the other person's position and, through discussion, the value placed on the issue being debated. Does he/she have the same agenda as you? Is he/she under time or pressure to make a deal?
- Know whether you are negotiating in competition with other suppliers.

The Negotiating Process

- Debate to find out what the other side wants.
- Be prepared for a vigorous challenge on price such as "you must be joking" or "I can get what you are offering for half the price from..." or similar.
- Remember, negotiators are trained in the art of lowering aspirations and expectations.
- Do not capitulate but defend your price and proceed to sell the value and benefits of your offering.
- Look for verbal and non-verbal signals of a willingness to consider moving towards your position e.g. "it would be unusual for us to..."

Negotiations *continued*

Concessions

Don't offer concessions without getting something in return - negotiating is about trading concessions. Remember the magic words, "if we can do this...will you..."

- Decide what you have to trade and consider how much it will be worth to the other side e.g. price, discount, payment terms.
- Do you have something to offer which does not cost much to you but may be of higher value to the other person, and vice versa?
- Be mean and reluctant with your concessions. Remember, good negotiators want to feel that they have got the best deal going. If agreement is reached too easily, they will feel as if there was a better deal to be had.

Closing

- Close only when you are sure that there is an agreement between you and the other person.
- Be brief and to the point with your final closing question e.g. "do we have a deal?" and having asked it, shut up and wait for the answer.
- Summarise what has been agreed and always record your agreement in writing.

Remember

- Look for a win-win outcome.
- Never gloat.
- Ultimately, everything in life is negotiable.



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