

## *Empowerment through Skills Development*

### **Negotiation Skills**

How does negotiation impact on our daily lives and how does it affect us in the office?

Essentially we would like to suggest that everything starts with negotiation. Firstly, if a business does not have a client, it is not a business. And all clients are found through a process of negotiation. Whether these are called official negotiations or client visits, telesales or sales calls, ultimately they are all negotiations.

We negotiate terms with the clients, we negotiate pricing with suppliers, we negotiate terms with management and we negotiate deadlines with our production teams. Or we should be. Because if we do and we are adept at negotiation, we would be less stressed and we would not have too many time management issues. Ultimately work would flow smoothly and life would be a dream... similar to your organisation... right?

So why then do we have the total opposite of this scenario taking place in our businesses on a daily basis? Why do we allow clients to dictate to us and why do we do business at prices that don't really suit us and why would we always be under time constraints in the production department? Ultimately it is because we are negotiating but due to certain vulnerabilities and lack of negotiation skills training we are being out manouvered.

Take an example of a client who has been buying from us for years and whom we know extremely well. This client has indicated that they would like to conclude the SLA (service level agreement) with us again for the next 24 months as they are delighted with our service and they really appreciate the fact that we go the extra mile for them.

So far so good. NO! Time for maximum alert. This client could be using what we call the accession technique, he is basically saying, " I like you, I like your price and you have the job." You are hearing all of this and whilst you are quietly calculating your profits in your head, your very clever client could be adding a few additional "requests," each of these taking a chunk of money out of your profits, e.g. We assume for that price you would include an "additional building, an additional car, an additional sound system, maybe you could quickly throw in a few extra of these and a few extra of those..." sound familiar?

The fact is that being a good negotiator is an art form, but even better news is that good negotiating skills can be learned. If we do not train our staff on negotiation skills all kinds of communication goes awry. Starting with the profitability as a result of the wrong price and ending with loss of profitability as a result of high absenteeism rates.

We truly cannot emphasise the importance of good communication and negotiation skills sufficiently. As individuals we need to negotiate all the time. We negotiate with our spouses, with our children, with our friends and our management. Our ability to negotiate determines our income levels and directly impacts on our quality of life. Why then are negotiation workshops mostly filled with sales and management staff? If you have recently been able to avoid a tantrum from a teenage girl with good negotiation skills, you are incidentally exempt from having to read further.

I see the logic in the sales staff attending a negotiation skills workshop, I would be shocked if management staff do not, I would be equally shocked if our buyers and ordering clerks, our production managers and our logistics managers don't attend negotiation skills training workshops, in addition to the operations staff and the client service staff. In fact every person in your company should. It is quite simple.

Because it is the duty of each individual in your company, whether buying or selling or offering advice, to ensure that all communication is concluded in the best interest of the company goals and absolute bottom lines. For example, if you had not attended a negotiation skills workshop or training forum you may not know that certain people have certain natural inclinations or styles and in each of those styles there are strengths and weaknesses. Being able to capitalise on your strengths and being able to identify the weaknesses of your negotiations partner or opponent simply brings the discussion to a much quicker and easier conclusion.

With negotiation skills training, you also immediately start identifying your existing speech patterns and the result of these habits. In a recent workshop, a logistics controller mentioned that she does not understand why she needed to be there as she does not necessarily sell anything. Later that morning in a role play she managed to get one of her "subcontractors" to do the job for her at very short notice because "he was the only one available for her to ask". Oops! Fact is his price immediately went up. In her thinking she was soft soaping him and he would definitely bow to kindness and her niceness and after all one hand washes the other...wrong. He immediately realised she needs him more than he needed her and upped his price by 15%.

Are you still not convinced that negotiation skills training is necessary for all your staff? Let's take the example of the retail store manager who was following procedures for the return of a kettle within a guarantee period. The kettle was exchanged, but the client was given a continuation of the previous guarantee. In other words the new kettle would now only be guaranteed by a further 5 months. The store manager explained that this was the policy and that whilst he was terribly sorry, he couldn't help any further, he would possibly get into trouble if he extended the guarantee. Negotiation error made.

Having exposed his vulnerability as fear of upper management, the client simply pointed out that whilst she understood his position, his upper management had certainly made an error in not pointing out the new CPA details to their staff to date and as a result, the practice of not re issuing a guarantee was unlawful. Now this example was not about who had the correct facts and who did not, and to this day I haven't checked what the CPA actually says about guarantees, if anything at all.

The fact is that the client had been to a negotiation skills workshop and immediately recognised the managers weakness as well as the weakness of all large retailers who needed time to get their staff clued up on the facts of the law and she out negotiated the manager based on this issue only. She emailed me the next day to thank me for keeping our negotiation skills training so real that she could apply her knowledge quickly and efficiently not only for the good of her company, but for her family as well.

So can you actually think of any reason that you should not be sending your entire staff complement on negotiation skills training? In fact don't send them on negotiation skills training, we will come to you, as onsite training is more cost-effective and the larger your groups, the more leverage you have with your negotiations. Either one-day or two-day workshops – we can negotiate!