

# Negotiation Basics:

## How to Help Yourself and Your Students Reach Your Full Potentials

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# Mindset Is Important!!!



# ❖ EVERYTHING is negotiable



❖ Think seafood not vegetables.



# ❖ Think collaborative problem solving not war.



“Communication between two or more parties to determine the nature of future behavior.”

Roger J. Volkema in *The Negotiation Tool Kit*

# Don't confuse negotiation with bargaining.

- ❖ Bargaining is a subset of negotiation (positional bargaining)

## The Golden Rule of Negotiation

- ❖ People will not negotiate with you unless they believe you can help them or hurt them.

Volkema in The Negotiation Toolkit

# Three Most Important Elements of Negotiation

## ❖ Information!

What do I want?



## ❖ Information!

Why should they negotiate with me?



## ❖ Information!

What are my alternatives?



# Before You Negotiate



# Assessing the Negotiation Environment

- ❖ How many parties are involved?
- ❖ What's the nature of your relationship?
- ❖ How formal or binding is the proposed agreement?
- ❖ How will this negotiation affect other people?
- ❖ How does timing affect the agreement?

# Negotiation Environment (cont)

- ❖ How much do you know about the other side's position?
- ❖ Who are the decision makers on the other side?
- ❖ Will the agreement set a precedent?
- ❖ What are the accepted norms for negotiation behavior in this situation?

# Learn About the Other Side

- ❖ Know how the other side sees the problem
- ❖ Understand how decisions are made
- ❖ Recognize what's important to them



Pet projects

Favorite employee

Priorities

Pet peeves

Qualities he values

How your interests align

# Identify Hidden Perks

❖ Talk to people



# Know How Your Organization Is Doing

- ❖ <http://www.sec.gov> (publicly owned)
- ❖ <http://www.hoovers.com> (privately owned)
- ❖ <http://www.guidestar.org> (nonprofits)
- ❖ <http://www.ci.cityname.state.us> (gov. jobs in many cities)
- ❖ <http://state.gov> (jobs in state gov.)
- ❖ <http://www.department.gov> (jobs with federal gov.)

\* Components in italics should be replaced with a specific city, state, or federal department name

# Setting the Stage

- ❖ **Determine your BANTA**  
(Best Alternative to a Negotiated Agreement)

- ❖ **Set your Reservation Value**

- ❖ **Identify the Contract Zone**

Range between your RV and other negotiator's RV

- ❖ **Set your Target Value**



# Become a Data Detective

## ❖ Know what you are worth

Web sites, government publications

<http://www.bls.gov/oco/ocos027.htm#earnings>

Bureau of Labor Statistics Occupational  
Outlook Handbook 2010-11

Others: [www.salary.com](http://www.salary.com)

[www.collegegrad.com](http://www.collegegrad.com)

[www.careerbuilder.com](http://www.careerbuilder.com)

[www.rileyguide.com](http://www.rileyguide.com)

# Research the Cost of Living

- ❖ University of Michigan

[www.lib.umich.edu/govdocs/steccpi.html](http://www.lib.umich.edu/govdocs/steccpi.html)



- ❖ Regional cost of living index
- ❖ Property taxes and sales tax in town where you will live

# Use Your Networks



- ❖ What do you think would be an appropriate salary for someone performing my job at my level?
- ❖ Do you know the approximate salary range for this position?
- ❖ What do you think this job would pay someone who has this amount of experience?
- ❖ If someone were going to ask for X, when would be the best time?
- ❖ If I were to go after X, what would be the best strategy?
- ❖ What are the qualifications needed to do that job?

# Aim High!

- ❖ Target value should be
  - better than BANTA
  - ambitious
  - realistic



There's a direct correlation between  
your target and what you get!

Ask for more than your target to start!

**It's not about how much  
You NEED; It's about how  
much you ARE WORTH!**

**It's also about what you  
REALLY want.**

# Recognize What You Bring to the Table

Education

Previous employment  
experience

Special skills or training

Dept of knowledge or  
expertise

Unique talents

Demonstrated  
performance  
excellence

Reputation in your field

Social or interpersonal skills

Leadership or team-building  
abilities

Client connections

Internal alliances

Powerful outside contacts  
(social and professional)

Support of a powerful mentor

Knowledge of the  
organization's culture,  
processes, history

# Last But Not Least

Good alternatives (a strong BANTA)

Limited choices on part of the other side (they have a weak BANTA.)

# DON'T THINK

I can manage with an extra \$25/week.

They probably won't balk at 5% more.

I can get this promotion without ruffling any feathers.

# THINK

I'm going to ask for twice that much because that's how much I'm worth

I'm going to shoot for 10% more because that would make me feel fairly recognized for my hard work and dedication.

I want a position that shows how much more I can do.

# DON'T THINK

I'll apply for that job; everyone knows I can handle it.

My contractor will probably agree to do the job for 5% less than the bid.

I'm sure my partner will do the grocery shopping occasionally if I ask.

# THINK

I'm ready to stretch myself- what would I like to try?

Let's see if he'll shave 15% off the price.

I'm going to work out a truly fair division of responsibilities at home.

# DON'T THINK

I'm pretty good at this job.

I'm well paid, my title doesn't really matter.

I can't expect to enjoy work too much. That's why they call it work.

# THINK

Where can I add the most value?  
That's what I want to do.

What title would convey my real responsibilities and convey the authority I need to do my job?

What would be really fun?

# Commit To Your Goal

I've been here 5 years. I've more than paid my dues.

The standard pay for someone with my experience is 10% more than I'm making now.

I have two advanced degrees, contacts throughout my field, and a great reputation.

I'm the only person on the team who can see the big picture as well as all the little ones.

I've published as many papers as the others who were hired when I was.

I consistently bring in grant money that supports many graduate students.

# Remember That:

- ❖ It costs a lot to replace you
- ❖ Women are a highly prized resource





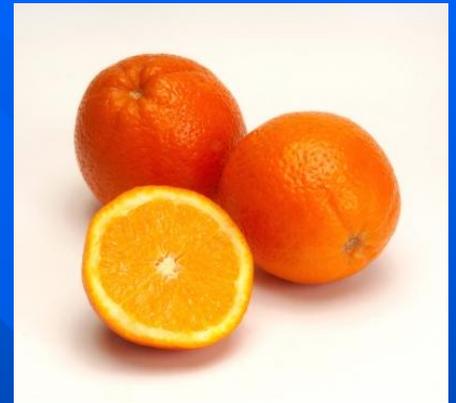
- ❖ Practice with a partner
- ❖ Debrief
- ❖ Repeat practice
- ❖ Do what it takes to get in a positive mood

❖ Remember an experience in which you felt powerful

# During the Negotiation

# Think Interests Not “Needs”

- ❖ The two-orange dilemma
- ❖ To fence or not-to-fence



# Collaborative Negotiation

- ❖ Ask questions. LISTEN to answers.
- ❖ Volunteer information.
- ❖ Identify common interests and goals
- ❖ Trade things you care about less for things you care about more
- ❖ Think of yourself and the other negotiator as partners in problem solving

EXAMPLE: News reporter and Style section

# Helpful Starting Questions

- ❖ I want to be sure I have a clear picture of the pressures you face. Can we talk about that?
- ❖ Among the issues we're discussing today, price is most important to me. Is that true for you or is another issue more important?
- ❖ I can tell that giving me what I want would present some challenges for you, but I'm not sure I totally comprehend the nature of those challenges. Can you sketch them out for me.
- ❖ I know you're balancing a lot of competing interests here. Can you describe them to me so I have a better idea of what they are?

# Sometimes You Have to Trade

## ❖ Learn to logroll

- ask is there any way you can make it worthwhile for the company to give you what you want

- be willing to give up something you can live without for something you really want

## ❖ Remember must logroll with multiple issues on the table



# Logrolling Basics

- ❖ List issues to be negotiated
- ❖ Determine your priorities
- ❖ Consider the other side's priorities
- ❖ Identify what you are willing to trade
- ❖ Identify anything you could add to the negotiation
- ❖ Sketch out several different ways to fit together your different priorities

# What If You've Got Another Job Offer?

I don't want you to hear through the grapevine that I've received a job offer from another company. I haven't decided what I'm going to do and I'd like to ask your advice. Are you open to discussing my salary?

I've received another offer and I'm really torn. I'd rather stay here but I'm not sure how I fit into the company's future plans. I'd like to talk with you about that.

I've received another offer but I do love working here. How much flexibility do I have? Can we look at making a few changes?

This other job has a number of attractive features. Can we make some of those things happen for me in this job?

# What If They Ask Your Salary Requirements?

I'd like to learn more about the position and the responsibilities before I give you a firm answer about salary.

I'm not comfortable talking about salary at this early stage. Can we postpone this part of the conversation?

Can you tell me more about the job before we talk salary?

What is the salary range for this position?

I know that the market for people with my skill set is between \$(X) and \$(Y)

# What If You Get a Negative Response?

I'm sure you have a lot of good reasons for saying no.

Would you mind talking about them a little.

It looks like I've taken you by surprise and I didn't mean to. Do you mind if I give you a bit more background information?

We have a lot of shared goals here. Can we capitalize on them?

I can certainly be a bit flexible about the ways to accomplish this. What are our options?

I can see that you're unhappy with what I've suggested.

Tell me what kind of agreement you'd like to see.

How do you think we should try to resolve this situation?

# Suppose You Need to Make a Counter Offer

- ❖ **Make sure you clarify all issues.**
  - We have a lot of issues in common and I want to make sure we're on the same page about what those are.
  - There's a lot here. Can you talk some about the thinking behind some of the details.
  - I want to make sure I understand your priorities before I start talking about mine. What matters most to you.
- ❖ **Don't hesitate to ask for time to think it over.**

# Completing the Negotiation

- ❖ Summarize the agreement as you understand it.
- ❖ Make sure you are clear on when the agreement is to be implemented.
- ❖ Note that you will e-mail a summary of the agreed upon details for review by the other party.

# Negotiation Gym

- ❖ Week 1 – ask for something easy
- ❖ Week 2 – ask for twice as much as you think you can get
- ❖ Week 3 – get used to rejection



- ❖ Week 4 – prepare a negotiations list, implement 4 or 5 negotiations (include one multi-issue), and reflect on your progress throughout week
- ❖ Week 5 – ask for three things you care about, from people you know, and that you'd love to get while knowing that none are likely to be granted
- ❖ Ask for something that you **REALLY** want but that you think would be greedy or selfish to ask for.
- ❖ **NEVER** apologize!

# Resources

- ❖ *Ask for It: How women can use the power of negotiation to get what they really want.* by Linda Babcock and Sara Laschever (2008)
- ❖ *The Negotiation Toolkit: How to Get Exactly What You Want in Any Business or Personal Situation* by Robert J. Volkema (1999)
- ❖ *Getting to Yes: Negotiating Agreement Without Giving In* by Roger Fisher and William Ury (1991)