

SEMINAR NOTES

DR. GEORGE LUCAS

PROFESSIONAL NEGOTIATION STRATEGIES

This is not the first video that has ever been produced on negotiations, but it is the first one not to take the “one-size fits all” approach. Dr. George Lucas shares with you the four negotiation strategies, when and how to use each one, and exposes the flaws in the most common negotiation tactic of compromise. His guidance will prepare you to capitalize on the 20% of negotiations where you can collaborate, protect you in the 30% that are fully win-lose, and help you move more of the remaining 50% into the win-win optimal category. Whether you’re a business professional, sales representative, homemaker or entrepreneur, developing negotiation skills will benefit you in every area of life.

For over 25 years Dr George Lucas has been a professional speaker, trainer, consultant, and field coach. His primary areas of expertise include negotiation skills, leadership, sales and business development. As a highly sought-after speaker and trainer, Dr Lucas has conducted programs for major organizations across North America, Asia, Europe, Latin America, Africa and Australia. He received his Bachelors degree, MBA and Ph.D. from the University of Missouri and served in sales positions with American Hospital Supply and Pitney Bowes. As an educator, he has held faculty positions at both Texas A&M and The University of Memphis.

Tools & Tactics for Gaining the Edge in Any Situation



Dr. George Lucas



Overall Program Objectives

1. Overview of negotiations and the role of treating “negotiaphobia”;
2. Identification of the four legitimate negotiation strategies, and when each one should be used;
3. Understanding negotiation chips, and concession making; and
4. Recognizing common competitive offensive and defensive tactics.

Segment One: Negotiations are Everywhere

Negotiation Defined

“A negotiation is the (often ongoing) process through which two or more parties whose positions are not consistent work in an effort to reach an agreement.”

from The One Minute Negotiator
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Negotiaphobia Defined

“Negotiaphobia is a fear of negotiating based on limited experience, discomfort with uncertainty, and a lack of skills. Another symptom is the inability to adapt one’s negotiation strategy to match the situation at hand.”

C. The Three-Step E-A-S-Y Treatment

Process for Negotiaphobia

1. **Engage:** Review situation and the four negotiation strategies
2. **Assess:** Your tendencies, and tendencies of others at the table
3. **Select:** The best strategy for this negotiation (and a plan B)

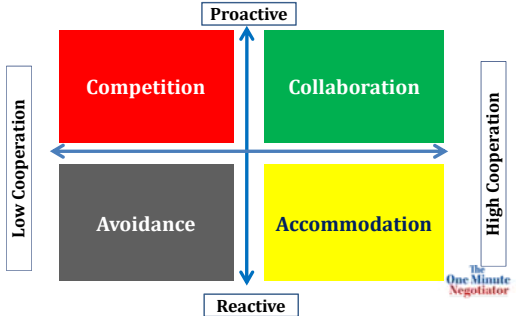
Your one minute drill for treating negotiaphobia

Segment Two: The Anatomy of a Negotiator

When is the Mathematical Calculation of Compromise a Recommended Tactic?

- Compromise only when:
- Late in the negotiation process
 - “Spread” is narrow/single issue, and
 - Tied to agreement

The OMN Negotiation Matrix



Avoidance

This Strategy is a Two-Way Street:

- Done by you alone (+/-); or
- When a person just takes from someone else

Accommodation


Three Key Issues:

- Know you are doing it;
- Not a relationship builder, but a tester; and
- Recognize it as the profitability

Competition

A win-lose/fixed-pie approach, driven by:

- 🔥 Skills
- 🔥 Knowledge
- 🔥 Nerve



Collaboration

The Most Advanced of the Four Strategy Alternatives, with the focus on:

- Understanding/refining true needs (not just positions),
- Building creative solutions that deliver value
- Advancing the relationship (high, wide and deep), and
- Growing the size of the “pie”

Assessing the Other Side

Information Sources:

- Prior encounters
- Title/position
- Their customer relationships
- Organization culture
- Others with whom they have negotiated
- Left brain/right brain
- Behavioral style

The OMN Self Assessment & 360° Assessment

Segment Three: Concession Making to Bridge Gaps in Positions and Reach an Agreement

Accommodations vs. Concessions

Accommodations

- ✎ One side gives
- ✎ One issue
- ✎ Reactive
- ✎ Weak power
- ✎ Unilateral gives

Concessions

- ✎ Both sides give and get
- ✎ Multiple issues
- ✎ Proactive
- ✎ From strength
- ✎ Bilateral chip maneuvers

Three Levels of Issue Planning

Value/
Opening Position

Base Level

Limit Level

Identifying Issues or Chips

The Importance of Issues for Both Sides:

- Non-negotiables (**Red Chips**) – Deal Killers {Legal/ethical and situation}
- **Blue Chips** - Can negotiate, but painful
- Bargaining Chips - **Green Chips** – No Big Deal Issues

Concession Guidelines

- Don't concede first
- Plan your first three
- Tie to a reciprocal request
- Move on **Greens** to get help on **Blues**
- Start modest (<10%)
- Scale back
- **Green Chips** aren't throwaways
- No concessions after agreement
- Keep an addendum of excluded items and amounts

Segment Four: Competitive Negotiations

When Not Win-Win

The following are signs:

- Refusal to share needs
- Position restatement
- Attacks on you
- Competitive tactics
- Posturing

Posturing Response

When they posture you should:

- Pay attention
- Don't agree or disagree
- No notes
- Point out inaccuracies (time out)
- Return "volleys" when they are done

Going Competitive

Rules of Engagement:

• Anticipate consequences	• Avoid being easily anticipated ...
• Keep option to walk away	• Be impervious to pressures
• Perception of "firmness"	• Protect base like limit
• Control emotions	• No deal is better than bad deal
• Premeditate tactics	• No panic

**The Role of Competitive Offensive Tactics:
Proactively Generate Concessions or Accommodations**

Offensive Tactics

Know and/or use the following:

- Direct requests
- Counter offers using Green Chips
- Investment in time
- Question logic on Reds and Blues
- Vague promises
- Good-guy/bad-guy
- Nibbling

Segment Five: Competitive Defensive Tactics-

The Role of Competitive Defensive Tactics: Proactive or Reactive Protection Maneuvers to Support Your Objectives



Defensive Fortifying Tactics

Proactive actions to forestall or discourage their attacks

- Aggressive values on blues
- Supported commitment comments
- Effective concession management
- Demanding constituents
- No time pressure
- Use stipulation

Stipulation

Positive Effects:

- Everyone already knows (unethical or uninformed if ignore)
- Takes the “bullets out of their gun”
- You put it on the table, you can take it off
- Possible responsibility sharing

Stipulation Guidelines

- Do it early
- No buck passing
- Share only known and legal/ethical
- Fix the future
- Silence
- Script and practice
