

## Re-energising Relationships through Principled Negotiation

Everybody understands that we are all 'in sales' these days – and it is certainly the case that anyone who has any kind of customer contact has the power to lose a sale! In the current climate, it must be great to be in the position to say:

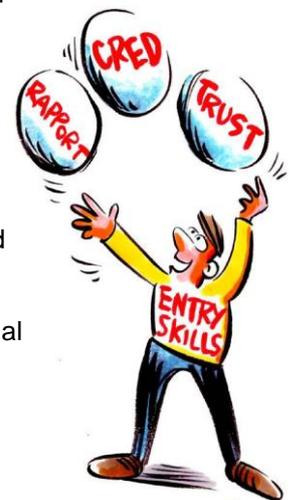
***“We have a better mousetrap than the other guy – and we can beat him on price...!”***

However, the individuals and organisations with the **real edge** are those who have been building trustful relationships – whether they have been winning the sale to date or not.

**Step System** has been helping our clients to focus on creating great relationships and the concept of Principled Negotiation is central to our approach. Building on the key themes set out in our Communicating & Influencing Programme (and outlined in our previous **Hint & Tip: Influencing**, which is available as a download from [www.stepsystem.co.uk](http://www.stepsystem.co.uk)), it is a logical next step, which in turn creates an entrée into more client specific sales training and focused individual development.

**So, what is Principled Negotiation?** – Principled Negotiation aims to achieve efficient, amicable and lasting agreements, which are mutually satisfactory to all parties, so that the agreement and the relationship are positive and long lasting. It is important because people who wish to resolve a conflict of interests invariably have something personal at stake – perhaps they want to protect their own ego or they may have a concern about how the final outcome will appear to others. They bring emotion to the discussion and if their feelings are not acknowledged and handled in a principled way, reaching a truly satisfactory agreement is very unlikely.

Principled Negotiation is based on the entry skills of building rapport, achieving personal credibility and developing mutual trust.



### 6 Phases of Principled Negotiation

<p><b>1. Tune In:</b> Explain / acknowledge the need to negotiate. Establish a shared interest in entering into a negotiation.</p>	<p><b>5. Invent Options:</b> Use creative thinking techniques and other people to help develop / generate options which will satisfy both parties' interests.  Use the Pros and Cons technique to refine ideas into viable options.  Re-enter negotiation.</p>
<p><b>2. State Positions:</b> Declare your position. Listen to their position empathetically.</p>	<p><b>6. Reach Agreement:</b> Listen openly to their options and discuss the merits and demerits compared with both parties underlying interests and any objective criteria. Share your options and encourage discussion.  Jointly work on choosing and refining options to make them acceptable to both parties.  Rigorously test for any misunderstanding – a clearly written agreement will help to achieve this!</p>
<p><b>3. Explore Underlying Interests:</b> Uncover their interests, needs, desires and concerns. Share your interests.</p>	
<p><b>4. Establish Criteria:</b> Jointly explore (and where possible agree upon) appropriate objective criteria for assessing any options/ideas for reaching agreement.</p>	

The term 'Principled Negotiation' and the table over the page (comparing Bargaining with Principled Negotiations) is based on the work of Ury and Fisher, **'Getting to Yes'** – ISBN 978-1-844-13146-4.

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	Soft Negotiations	Hard Negotiations	Principled Negotiations
<b>The Goal is:</b>	Agreement	Victory	An elegant solution, reached efficiently and amicably
<b>Position:</b>	Change your position easily	Dig into your position	Focus on interests, not the position
<b>Progress:</b>	Make offers	Make threats	Explore interests
<b>Bottom line:</b>	Disclose fully	Mislead or hide	Avoid having a bottom line
<b>Outcome:</b>	Insist on agreement	Insist on your position	Insist on objective criteria
<b>Will power:</b>	Try to avoid a contest of wills	Try to win a contest of wills	Try to reach a result based on standards independent of wills
<b>Pressure:</b>	Give in to pressure	Apply pressure	Use reason; yield to principle, not pressure
<b>Relationships:</b>	Make concessions to cultivate the relationship	Demand concessions as a condition of the relationship	Separate the people from the issues
<b>People v Issue:</b>	Be soft on the people and on the issue	Be hard on the people and on the problem	Be soft on the people, be hard on the issue
<b>Trust:</b>	Trust others	Mistrust others	Proceed independent of trust
<b>Losses/gains:</b>	Accept one-sided losses to reach agreement	Demand one-sided gains as the price of agreement	Invent options for mutual gain
<b>Answers:</b>	Search for the single answer: the one <i>they</i> will accept	Search for the single answer: the one <i>you</i> will accept	Develop multiple options to choose from; decide later
<b>Participants are:</b>	Friends	Adversaries	Problem-solvers

### Remember:

- It is easier to negotiate with a friend than a stranger and a pleasure to work with someone who brings solutions that fit. For this reason, it is imperative to allocate time to proactively building your relationships and to developing rapport, credibility and trust **before** you need to draw upon it.
- To achieve a Principled Negotiation, you must choose the most appropriate influence styles and behaviours (as outlined in our Communicating & Influencing programme), without which it will be impossible to reach a principled WIN-WIN.

### Question:

- What have you done to help support each of your prospective or existing customer base in the last six months?
- What more could you do?
- When will you start?

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Step System International Limited / Gable End / Upper Brailes / Near Banbury / Oxon / OX15 5AX