SIGMA Leadership Series

Great Leaders Negotiate



GREAT LEADERS NEGOTIATE



Let us never negotiate out of fear, but let us never fear to negotiate.

— Gale Anne Hurd

Negotiation is one of the most-used yet least-taught leadership skills. It is the ability to work with other parties to reach outcomes that advance your organization's interests — and, when possible, the other side's. Experts suggest that we spend nearly 50% of our day negotiating.¹ Despite all that practice, polls show 40% of U.S. adults don't feel confident negotiating — often because they lack skills or aren't sure when it's appropriate to negotiate.^{2, 3}

But why does negotiation matter? This is an important skill for leaders because it allows them to guide mutually-beneficial decision-making. Strong negotiation skills enable leaders to protect and advance their goals, serve the interests of their organization, team and employees, and maintain constructive relationships during difficult conversations. Overall, negotiation allows leaders to drive productivity and optimize results. It's never too early to begin developing these skills.

Are You Good at Negotiating?

In assessing your ability to negotiate, ask yourself the following questions:

- Do I enter conversations and decisions with a goal in mind?
- How strong is my persuasive ability?
- Am I able to process new information quickly and change my strategy on the fly?
- Can I understand other perspectives and find solutions that meet everyone's needs?
- Am I able to maintain a calm and composed presence during difficult conversations?

Improve Your Ability to Negotiate

Reframe the discussion. In a proper negotiation there is no "winner" and "loser." Some people face a mental barrier to negotiation because they struggle to be assertive or to ask for what they want. But negotiation doesn't have to be a zero-sum game; the goal is not to win but to find a solution that makes both parties happy. The next time you find yourself in a negotiation,



try reframing the discussion in this way. Remember: you and the other side are on the same team, and the goal isn't to win — it's to find the best solution for everyone.

Process internally. In negotiation, pause before you speak. **Internal processors** absorb information and craft a response; **external processors** tend to think out loud. Favor the former — take a moment to organize your point, decide what you will and won't share, then respond. If you naturally think aloud, build in a brief pause — jot a note, ask for a moment to consider, or summarize what you heard while you plan your reply. This keeps your message clear and reduces the risk of revealing your position prematurely.

Practice your "poker face." In addition to processing thoughts internally, it is important to process emotions internally as well. Try to avoid sending cues when you feel alarmed at a proposition or thrilled that the discussion is going your way. Emphasize regulating visible reactions and taking brief pauses to stay objective and flexible. In general, calm, steady delivery keeps everyone objective and flexible. Work on your patience, try to remain poised, and practice your poker face when the negotiation is really pushing your limits.

Start Doing These 3 Things Now to Become a Better Negotiator

The following steps can help you become better at negotiating:

- 1. **Know your priorities.** In addition to knowing what you "want," it will be helpful to know your priorities. Take some time to think through what components of the decision are important to you, and how much weight each deserves. In a negotiation, you may not get your ideal solution, so you need to know where you are willing to compromise.
- 2. **Share your priorities.** When you begin a negotiation, set aside some time for both parties to share their priorities. Listen to one another's perspectives and understand the context within which the negotiation is happening. This will build trust and help you frame the discussion as a mutual effort to find the best solution for everyone.
- 3. **Ask questions.** In a negotiation, the person asking questions has control over the conversation. Before you enter a discussion, prepare a few questions that will help you get the information you need. Apart from asking questions, you can also ask for what you want. As the saying goes, "You miss 100% of the shots you don't take." Don't be afraid to make the first offer at or above your target. This will create an anchor for the negotiation and make it more likely that the outcome will be near your goal.



Assess Negotiation With the LSP-R®

The <u>Leadership Skills Profile – Revised® (LSP-R)</u> is a personality-based leadership assessment that measures 50 core competencies, including Negotiation. The assessment can be administered online in 25 minutes, and comes with an automatically generated Focus Report, including scores, personalized feedback, and templates for creating competency-based leadership development plans (view a sample Focus Report).

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See how you score on NEGOTIATION.

Experience the LSP-R for yourself and see how you score on Negotiation. Receive customized feedback and templates for creating a personalized action plan. Take 25 minutes and experience the impact that data-driven personality insights can have.

Start Your Free Trial

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3 steps to getting what you want in a negotiation



6 Tactics to Help You Become a Better Negotiator



Develop leadership competencies with SIGMA's one-hour, high-impact <u>Leadership</u> <u>Development Workshops</u>, led by our experienced coaches.



References

¹ Romo, A. (2018). Five tips to become a more successful negotiator. *Forbes*. https://www.forbes.com/sites/forbescommunicationscouncil/2018/07/19/five-tips-tobecome-a-more-successful-negotiator/?sh=4bff96787961

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³ AMSTATNEWS. (2022). Skills and strategies for successful negotiation. *AMSTATNEWS*. https://magazine.amstat.org/blog/2021/02/01/successfulnegotiation/



² Procurement Tactics. (2022). Negotiation statistics 2022 – 29: Interesting figures that will surprise you. *Procurement Tactics*.